

**Course Outline for AC3103 Accounting Analysis and Valuation**

<b>Academic Year</b>	AY 22/23	<b>Semester</b>	2
<b>Course Coordinator</b>	Chong Eng Heng		
<b>Course Code</b>	AC3103		
<b>Course Title</b>	Accounting Analysis and Valuation		
<b>Pre-requisites</b>	AC2101 Accounting Recognition and Measurement		
<b>No of AUs</b>	4		
<b>Contact Hours</b>	4 hours x 13 weeks = 52 hours		
<b>A) Course Aims/Description</b>			
<p>There are two parts to this course. Part 1 examines the role of financial reporting in the functioning of capital markets and focuses on identifying, assessing, and applying information for the purposes of analyzing and valuing business activities and entities. Part 2 focuses on the valuation issues following mergers and acquisitions, namely valuation of intangibles and impairment testing of goodwill.</p>			
<b>B) Intended Learning Outcomes (ILO)/Objectives</b>			
<p>By the end of this course, you should be able to:</p> <ol style="list-style-type: none"> <li>1. Explain the rationales and characteristics that underlie financial reporting and the workings of capital markets.</li> <li>2. Analyze relevant information for the purpose of equity valuation.</li> <li>3. Apply valuation models to the valuation of intangibles and the impairment testing of goodwill.</li> </ol>			
<b>C) Course Content</b>			
<ol style="list-style-type: none"> <li>1. Introduction to valuation theory and concepts</li> <li>2. The value relevance of accounting information</li> <li>3. The measurement approach to decision usefulness</li> <li>4. The efficient contracting approach to decision usefulness</li> <li>5. Earnings management and standard setting</li> <li>6. Business analysis and valuation process <ol style="list-style-type: none"> <li>(a) Strategy analysis</li> <li>(b) Accounting analysis</li> <li>(c) Financial analysis</li> <li>(d) Prospective analysis</li> </ol> </li> <li>7. Valuation of intangibles</li> <li>8. Impairment testing of goodwill</li> </ol>			

**D) Assessment**

<b>Component</b>	<b>ILO Tested</b>	<b>NBS Learning Goal</b>	<b>Weightage</b>	<b>Team / Individual</b>	<b>Assessment Rubrics</b>
1. Final Examination	ILO1, ILO2, ILO3	Critical Thinking, Acquisition of knowledge, Problem solving & decision making	55%	Individual	
2. Participation	ILO1, ILO2, ILO3	Oral communication, Motivation, Critical Thinking, Acquisition of knowledge	15%	Individual	See Appendix 1.
3. Team Presentation and Discussion	ILO1, ILO2, ILO3	Oral communication, Critical Thinking, Acquisition of knowledge	5% 5%	Individual Team	See Appendix 2.
4. LAMS Activities	ILO1, ILO2, ILO3	Acquisition of knowledge	5%	Individual	N.A.
5. Written Assignment	ILO1, ILO2	Acquisition of knowledge, Critical Thinking and Written communication	15%	Team	See Appendix 3.
<b>Total</b>			<b>100%</b>		

**E) Formative feedback**

You will receive formative feedback through written responses to your assignments and verbal feedback through in-class discussion. You will receive summative group feedback on the exam following the conclusion of the module.

**F) Learning and Teaching approach**

<b>Approach</b>	<b>How does this approach support you in achieving the learning outcomes?</b>
Pre-seminar exercises, e-lectures, and LAMS activities	<p>The pre-seminar exercises, e-lectures, and LAMS activities allow you to acquire the basic knowledge that you need before you attend seminars to gain more in-depth understanding of the concepts.</p> <p>Each e-lecture consists of a series of short video recordings of lectures followed by graded LAMS activities between videos to reinforce self-learning. You must complete the online graded activities within a defined window period. <b>Please refer to Appendix 5 for the schedule.</b></p>
Seminars	<p>The interactive seminars provide opportunities for open discussion, which will encourage you to think critically and share your ideas with the class.</p>
Written Assignment	<p>This assignment involves the analysis and valuation of a company. It requires you to analyze information and apply the business analysis and valuation process in a case setting.</p> <p>As this is a team assignment, all members are required to complete a <b>Confidential Peer Evaluation Form via Eureka</b>. Please see Appendix 4 for the Peer Evaluation Form.</p> <p>Your ratings are confidential and will not be revealed to your team members. Team members will only be able to see the average rating given by his/her team members.</p> <p>We will use your ratings to grade the performance of your team members by averaging the rating from all the team members. The group assignment marks for each team member will be computed as follows:</p> <ol style="list-style-type: none"> <li>1. If the average rating of the individual is 6 or more (i.e., average score <math>\geq 6</math>), the individual will receive 100% of the team's marks.</li> <li>2. If the average rating of the individual is between 4 and 6 (i.e., <math>4 &lt; \text{average score} &lt; 6</math>), the individual will receive 80% of the team's marks.</li> <li>3. If the average rating of the individual is between 3 and 4 inclusive (i.e., <math>3 \leq \text{average score} \leq 4</math>), the individual will receive 50% of the team's marks.</li> <li>4. If the average rating of the individual is less than 3 (i.e., average score <math>&lt; 3</math>), the individual will receive 30% of the team's marks.</li> </ol>

**G) Reading and References****Main Text**

PHP **Palepu, Healy and Peek**, *Business Analysis and Valuation: IFRS Standards Edition, 6<sup>th</sup> Edition*. Cengage Learning, 2022. (Call No: to be confirmed)

**Other references**

1. NCKL Ng, Choo, Koh & Low, [\*A Practical Guide to Financial Reporting Standards \(Singapore\)\*](#) 7th edition. CCH Asia, 2018.  
(Call No: HF5681 B2N576p 2018)
2. Revsine Revsine, et al, [\*Financial Reporting and Analysis\*](#) 7<sup>th</sup> edition, McGraw-Hill, 2018.  
(Call No: HF5681.B2R454 2018)
3. PH Palepu and Healy, [\*Business Analysis and Valuation: Using Financial Statements, International Edition\*](#). 5<sup>th</sup> Edition. Cengage Learning, 2013.  
(Call No: HF5681.V3P156 2013)

**H) Course Policies and Student Responsibilities**

You are expected to complete all assigned pre-class readings and activities, attend all seminar classes punctually and take all scheduled assignments and tests by due dates. You are expected to participate in all seminar discussions and activities.

**I) Academic Integrity**

Good academic work depends on honesty and ethical behaviour. The quality of your work as a student relies on adhering to the principles of academic integrity and to the NTU Honour Code, a set of values shared by the whole university community. Truth, Trust and Justice are at the core of NTU's shared values.

As a student, it is important that you recognize your responsibilities in understanding and applying the principles of academic integrity in all the work you do at NTU. Not knowing what is involved in maintaining academic integrity does not excuse academic dishonesty. You need to actively equip yourself with strategies to avoid all forms of academic dishonesty, including plagiarism, academic fraud, collusion and cheating. If you are uncertain of the definitions of any of these terms, you should go to the academic integrity website <https://www.ntu.edu.sg/life-at-ntu/student-life/student-conduct> for more information. Consult your instructor(s) if you need any clarification about the requirements of academic integrity in the course.

**J) Course Instructors**

Instructor	Office Location	Phone	Email
Cheong Foong Soon	S3-B2C-84	67904656	fscheong@ntu.edu.sg
Chong Eng Heng	S3-B2C-89	67904650	mehchong@ntu.edu.sg
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## K) Planned Weekly Schedule

Week	Topic	ILO	Readings	Activity
Seminar 1  (9 Jan)	<b>Introduction to Valuation Theory and Concepts</b> <ul style="list-style-type: none"> <li>Valuation Approaches</li> <li>Residual Income Model</li> </ul>	<p>Explain the different approaches to equity valuation.</p> <p>Describe the relationship between financial reporting and equity valuation using the residual income model.</p>	<p><b>PHP:</b> Ch 1 Ch 7 (brief overview)</p> <p><a href="#">The Conceptual Framework for Financial Reporting</a></p> <p><a href="#">IFRS – Accounting information still matters to you, me and investors around the world</a></p>	<p><b>Part I:</b> <b>LAMS</b> - e-lecture on Introduction to Valuation Theory and Concepts and the LAMS questions.</p> <p><b>Part II:</b> <b>LAMS</b> - e-lecture on Residual Income Model and the LAMS questions.</p> <p><b>Part III:</b> Complete an exercise on Old Chang Kee Limited (posted in NTULearn main site) to be discussed during Seminar 1.</p>

Week	Topic	ILO	Readings	Activity
Seminar 2  (16 Jan)	<p><b>The Value Relevance of Accounting Information</b></p> <ul style="list-style-type: none"> <li>Valuation under ideal and non-ideal conditions.</li> <li>Efficient markets and implications for financial reporting.</li> <li>The roles of accounting information in capital markets and other settings.</li> </ul> <p><b>The Measurement Approach to Decision Usefulness</b></p> <ul style="list-style-type: none"> <li>Evidence against efficient markets.</li> <li>Market inefficiency and its implications for financial reporting.</li> <li>Measurement perspective on financial reporting. <ul style="list-style-type: none"> <li>- Fair value Accounting</li> <li>- Value in use</li> </ul> </li> </ul>	<p>Explain the role of accounting information as a part of an information system useful for decision making.</p> <p>Explain the concepts of efficient markets and the value relevance of accounting information.</p> <p>Summarize empirical research supporting the information approach to decision usefulness of financial reporting.</p> <p>Interpret the empirical evidence against market efficiency.</p> <p>Describe some concepts in behavioural finance and evaluate the resulting implications for financial reporting.</p> <p>Explain the concepts, complexities and implications of fair value accounting.</p>	<p><b>PHP:</b> Ch 1 Ch 7 (brief overview)</p> <p><b>Hoogervorst (2012),</b> <a href="#">“The imprecise world of accounting”, speech in the International Association for Accounting Education &amp; Research (IAAER) conference in Amsterdam.</a></p> <p><b>SFRS(I) 13</b> (para. 1-33 &amp; 61-91)</p>	<p><b>Part I:</b> <b>LAMS</b> - e-lecture on the Value Relevance of Accounting Information and the LAMS questions.</p> <p><b>Part II:</b> <b>LAMS</b> - e-lecture on Measurement Perspective and the LAMS questions.</p> <p><b>Part III:</b> <b>LAMS</b> – e-lecture on Fair Value Accounting and LAMS questions.</p> <p><b>Part IV:</b> Discussion Questions – Value Relevance of Accounting Information.</p> <p><b>Part V:</b> <b>Self-study exercise:</b> Accounting and valuation under ideal conditions (NTULearn).</p>

Week	Topic	ILO	Readings	Activity
Seminar 3 (23 Jan)	<p><b>The Efficient Contracting Approach to Decision Usefulness (Positive Accounting Theory)</b></p> <ul style="list-style-type: none"> <li>Contractual incentives to manage earnings</li> <li>Patterns of earnings management</li> </ul> <p><b>Earnings Management</b></p> <ul style="list-style-type: none"> <li>Capital market incentives to manage earnings</li> <li>Two contrasting views of earnings management: Efficient and opportunistic</li> </ul> <p><b>Standard Setting</b></p>	<p>Describe the use of accounting information in contracts and their implications on management accounting policy choice.</p> <p>Describe the various patterns of earnings management.</p> <p>Evaluate capital market incentives to manage earnings.</p> <p>Describe what managers may do to meet capital market expectations.</p> <p>Explain the efficient and opportunistic views of earnings management.</p> <p>Evaluate the economic and political underpinnings of accounting regulation and their influence on the preparation of accounting information.</p> <p>Describe the standard setting process in Singapore.</p>	<p><b>Revsine:</b> Ch 7</p> <p><b>White, Sondhi &amp; Fried, <i>The Analysis and Use of Financial Statements</i>. 3rd Edition. Wiley, 2002:</b> Ch 5 Empirical Research: Implications for FSA</p> <p><b>Collingwood (2001).</b> “The Earnings Game: Everyone Plays, Nobody Wins” Harvard Business Review Vol 79(6): 65-74</p> <p><b>Websites (Hyperlinked):</b> <a href="#">ASC</a> <a href="#">ACRA</a> <a href="#">IAS Plus</a></p> <p><b>IFRS – Working in the public interest:</b> <a href="https://www.ifrs.org/-/media/feature/about-us/who-we-are/working-in-the-public-interest.pdf">https://www.ifrs.org/-/media/feature/about-us/who-we-are/working-in-the-public-interest.pdf</a></p>	<p><i>Note: This is an e-learning week. There will be no class. Please complete the following tasks.</i></p> <p><b>Part I:</b> <b>LAMS</b> – e-lecture on Efficient Contracting Approach to Decision Usefulness and LAMS questions.</p> <p><b>Part II:</b> <b>LAMS</b> – e-lecture on Earnings Management and LAMS questions.</p> <p><b>Part III:</b> <b>LAMS</b> – e-lecture on Standard Setting and LAMS questions.</p>

Week	Topic	ILO	Readings	Activity
Seminar 4  (30 Jan)	<p><b>Introduction to Fundamental Analysis</b></p> <p><b>Strategy Analysis</b></p> <ul style="list-style-type: none"> <li>• Non-financial information <ul style="list-style-type: none"> <li>- Operating and Financial Review</li> <li>- Sustainability reports</li> </ul> </li> </ul>	<p>Outline the framework for fundamental analysis.</p> <p>Explain why strategy analysis is important in business analysis and valuation.</p> <p>Discuss the usefulness of the operating and financial review and analyze the significance on the equity valuation process.</p> <p>Discuss the usefulness of sustainability and integrated reporting and analyze the impact of corporate social performance on the equity valuation process.</p>	<p><b>PHP:</b> Ch 2</p> <p>Handout on Strategy Analysis, OFR and Sustainability reporting</p> <p><b>SGX:</b> <a href="#">Guide For Operating and Financial Review</a></p> <p><b>ASC:</b> <a href="#">Practice Statement on Management Commentary</a></p> <p><a href="#">SGX Sustainability reporting guide</a></p> <p><a href="#">ISCA Climate Disclosure Guide, pp. 7-12</a></p> <p><a href="#">Exposure Draft – Snapshot ISSB (March 2022)</a></p> <p><a href="#">Investor Guide to Reading Sustainability reports</a></p> <p><a href="#">EY’s 2022 CEO Survey</a></p> <p><a href="#">More than values: The value-based sustainability reporting that investors want (McKinsey 2019)</a></p>	<p><b>Part I:</b> <b>LAMS</b> – e-lecture on Strategy Analysis and LAMS questions.</p> <p><b>Part II:</b> <b>LAMS</b> –e-lecture on non-financial information and LAMS questions.</p> <p><b>Part III:</b> <a href="#">Understanding sustainability from an investor’s perspective.</a></p> <p><b>Part IV:</b> Discussion Questions – Measurement Approach to Decision Usefulness, Fair Value Accounting, Efficient Contracting, Earnings Management, and Standard Setting.</p> <p><b>Part V:</b> Discussion Questions – Strategy Analysis, OFR, and Sustainability reporting.</p>



Week	Topic	ILO	Readings	Activity
Seminar 5  (6 Feb)	<b>Strategy Analysis</b> <ul style="list-style-type: none"> <li>Case Study</li> </ul> <b>Accounting Analysis</b> <ul style="list-style-type: none"> <li>Overview of accounting analysis</li> <li>Factors affecting the quality of accounting information</li> </ul>	<p>Demonstrate the application of strategy analysis through case study.</p> <p>Assess the usefulness and limitations of accounting information in reflecting business reality.</p> <p>Identify and adjust for accounting distortions.</p>	<p><b>PHP:</b> Ch 2</p> <p><b>PHP:</b> Ch 3 and 4</p> <p><b>ASC:</b> <a href="#">Practice Statement on Management Commentary</a></p>	<p><b>Part I:</b> <b>LAMS</b> –e-lecture on Accounting Analysis and LAMS questions.</p> <p><b>Part II:</b> Discussion Questions - Accounting Analysis.</p> <p><b>Part III:</b> <b>Case study 1 Strategy Analysis</b> Sheng Siong – Mirror, Mirror... Whereto we go? [ABCC-2018-010]</p> <p>Students may access the case via NTULearn main course website.</p> <p>Refer to NTULearn main course website for case-study questions.</p> <p><b>Part IV: (self-study)</b> <b>LAMS</b> – e-lecture on the accounting for bonds and compound financial instruments and LAMS questions. (Please watch e-lecture before proceeding to Seminar 6 EPS materials)</p>

Week	Topic	ILO	Readings	Activity
Seminar 6  (13 Feb)	<b>Accounting Analysis</b> <ul style="list-style-type: none"> <li>Earnings per Share (EPS)</li> </ul>	Understand and compute basic and diluted EPS.	<b>NCKL FRS 33</b>  <b>SFRS(I) 1-33</b>  EPS Illustration	<b>Part II:</b> <b>LAMS</b> – e-lecture on EPS and LAMS questions.  <b>Part III:</b> Discussion Questions – EPS.
Seminar 7  (20 Feb)	<b>Accounting Analysis</b> <ul style="list-style-type: none"> <li>Case study</li> </ul> <b>Financial Analysis</b> <ul style="list-style-type: none"> <li>Introduction and overview</li> <li>Operating management</li> <li>Investment management</li> <li>Financial management</li> <li>ROE decomposition and analysis</li> </ul>	Use a case study to illustrate how to identify and adjust accounting distortions.  Analyze how well a firm manages its operating, investment, and financing activities.	<b>PHP:</b> Ch 3 and 4  <b>PHP:</b> Ch 5	<b>Part I:</b> <b>LAMS</b> – e-lecture on Financial Analysis and LAMS questions.  <b>Part II:</b> <b>Case study 2 Accounting Analysis</b> Accounting Turbulence at Boeing [PHP: pp. 161-182]  Refer to NTULearn main course website for case-study questions.  <b>Part III:</b> Discussion Questions – Financial Analysis.

Week	Topic	ILO	Readings	Activity
<b>Semester Break</b> 25 Feb – 5 Mar				
Seminar 8  (6 Mar)	<b>Financial Analysis</b> <ul style="list-style-type: none"> <li>• Case study</li> <li>• In-class exercise</li> </ul> <b>Analysis of Earnings Quality</b>	<p>Use a case study to apply FSA.</p> <p>Interpret financial numbers and ratios and relate to operating characteristics of businesses.</p> <p>Describe sensitive situations where manipulation of financial statements is more likely.</p> <p>Diagnose and assess the quality of financial statements.</p>	<p><b>PHP:</b> Ch 5</p> <p>Handout on Analysis of Earnings Quality</p>	<p><b>Part I:</b> <b>LAMS</b> – e-lecture on Analysis of Earnings Quality and LAMS questions.</p> <p><b>Part II:</b> In-class exercise – Financial Detective.</p> <p><b>Part I:</b> <b>Case Study 3 Financial Analysis</b> Sheng Siong – Mirror, Mirror... Whoso The Fairer? [ABCC-2018-008]</p> <p>Students may access the case via NTULearn main course website.</p> <p>Refer to NTULearn main course website for case-study questions.</p>

Week	Topic	ILO	Readings	Activity
Seminar 9  (13 Mar)	<b>Prospective Analysis: Valuation Theory and Models</b> <ul style="list-style-type: none"> <li>• Valuation models</li> <li>• Valuation ratios</li> <li>• End-of-period discounting and mid-period discounting</li> </ul>	<p>Apply the various valuation models and illustrate their computation in equity valuation.</p> <p>Describe and explain the drivers of valuation ratios.</p>	<b>PHP:</b> Ch 6, 7 and 8 (We will not be doing the <b>abnormal profit growth model</b> , so you can ignore all discussions on this model.)	<p><b>Part I:</b>  <b>LAMS</b> – e-lecture on Valuation Theory and Models and LAMS questions.</p> <p><b>Part II:</b>  <b>Case Study 4 Analysis of Earnings Quality</b>            FinTech corrupted – The fall of Wirecard            [PHP: pp. 105-120]</p> <p>Refer to NTULearn main course website for case-study questions.</p> <p><b>Part III:</b> Discussion Questions – Valuation Theory and Models.</p>

Week	Topic	ILO	Readings	Activity
Seminar 10  (20 Mar)	<b>Prospective Analysis: Forecasting</b> <ul style="list-style-type: none"> <li>• Key value drivers</li> <li>• Forecasting horizons</li> <li>• Terminal value</li> <li>• Case Study using RI and Discounted Cash Flow Model</li> </ul>	<p>Illustrate the key elements to be forecasted for firm valuation.</p> <p>Learn the mechanics of using RI model and DCF model for equity valuation using a case study</p>	<b>PHP:</b> Ch 6, 7 and 8	<p><b>Part I:</b> <b>LAMS</b> – e-lecture on Forecasting and LAMS questions.</p> <p><b>Part II:</b> Discussion Questions – Prospective Analysis.</p> <p><b>Part III:</b> <b>Case Study 5 Prospective Analysis</b> Sheng Siong: Residual Income Valuation [ABCC-2022-005]</p> <p>Refer to NTULearn main course website for discussion questions.</p>

Week	Topic	ILO	Readings	Activity
Seminar 11  (27 Mar)	<b>Various issues in Valuation</b> <ul style="list-style-type: none"> <li>• Capital Structure</li> <li>- Cost of Capital</li> <li>• Corporate communication</li> </ul>	<p>Explain how the use of debt affects equity valuation through ROE and cost of capital.</p> <p>Describe various corporate communication alternatives.</p> <p>Explain how corporate governance mechanisms affect the quality of accounting information.</p> <p>Explain the roles and mechanisms of corporate communication, corporate governance, and investors relations in the equity valuation process.</p>	<p><b>PHP:</b> Ch 6, 7, 8 and 9</p> <p>PH: Ch 12</p> <p><a href="#">Singapore Code of Corporate Governance 2018</a></p>	<p><b>Part I:</b> <b>LAMS</b> – e-lecture on Capital Structure and Cost of Capital and LAMS questions.</p> <p><b>Part II:</b> <b>LAMS</b> – e-lecture on Corporate Communication, Corporate Governance and CSR and LAMS questions.</p> <p><b>Part III:</b> In-class exercise: Capital Structure and Cost of Capital.</p> <p><b>Part IV:</b> Discussion Questions – Capital structure and CG.</p>

Week	Topic	ILO	Readings	Activity
Seminar 12  (3 Apr)	<b>Mergers and Acquisitions</b> <ul style="list-style-type: none"> <li>• Motivation for acquisition</li> <li>• The pricing of offers</li> <li>• Business combinations and acquisition accounting</li> <li>• Valuation of Intangibles</li> <li>• Impairment testing of goodwill</li> </ul>	<p>Assess if merger creates value for acquiring firm's stockholders.</p> <p>Describe the accounting treatment of assets acquired as part of a business combination, and goodwill arising from consolidation, and critically assess the implications on the usefulness of financial statements.</p> <p>Examine how intangibles are valued.</p> <p>Apply the appropriate valuation models to the valuation of different types of intangible assets.</p>	<p>PHP: Ch 11</p> <p>Handout on Business Combinations SFRS(I) 3 Business Combinations</p> <p>Handout on Valuation of Intangibles SFRS(I) 1-38 Intangible Assets</p> <p>IVS 210 Intangible Assets</p> <p>Handout on Impairment Testing of Goodwill</p> <p>SFRS(I) 1-36 Impairment of Assets SFRS(I) 3 Business Combinations SFRS(I) 13 Fair Value Measurement</p>	<p><i>Note: This is an e-learning week. There will be no class. Please complete the following tasks.</i></p> <p><b>Part I:</b> LAMS – e-lecture on Mergers and Acquisitions and LAMS questions.</p> <p><b>Part II:</b> LAMS – e-lecture on Acquisition accounting and LAMS questions.</p> <p><b>Part III:</b> LAMS – e-lecture on Valuation of Intangibles and LAMS questions.</p> <p><b>Part IV:</b> LAMS – e-lecture on impairment testing of goodwill and LAMS questions.</p> <p><b>Part V:</b> Use the provided excel spreadsheet (NTULearn) and work through the five examples on the valuation of intangibles. (To be discussed in Seminar 13)</p>

Week	Topic	ILO	Readings	Activity
Seminar 13  (11 Apr)	<b>Mergers and Acquisitions</b>  <b>Putting it all together</b>	Integrate materials learnt in the course.		<p><b>Part I:</b> Discussion Questions – Mergers &amp; Acquisitions, Acquisition Accounting, Valuation of Intangibles, and Impairment of goodwill.</p> <p><b>Part II:</b> In-class exercise – Use the provided spreadsheet (NTULearn), discuss the fice examples on the valuation of intangibles and work through the alternative scenarios.</p> <p><b>Part III:</b> Discussion Questions. (Revision Questions with key answers provided)</p>



**Appendix 1**  
**Rubrics for Class Participation (15%)**

	Performance Levels		
	"C"- "F" (Poor)	"B" (Satisfactory)	"A" (Good)
<b>Attitude</b>	Engages in distracting activities (e.g. checking mobile) during class discussion.	Occasionally engages in distracting activities during class discussion.	Listens attentively during class discussion, does not engage in distracting activities.
<b>State of preparedness</b>	Does not voluntarily contribute to class discussions and cannot respond to instructor's cold call.	Sometimes contributes voluntarily to class discussions and can respond to instructor's cold call.	Frequently initiates contribution to class discussions.
<b>Quality of Participation</b>	Does not communicate clearly, simply reading out from notes/references when responding to questions without trying to understand concepts. Comments are uninformative, rarely substantiates personal opinions with evidence; comments are always not relevant to the discussion.	Able to communicate effectively and discuss issues that require application of knowledge. Comments are sometimes constructive, with occasional signs of insight; sometimes substantiates personal opinions with evidence; comments are not always relevant to the discussion.	Able to communicate effectively, have a good understanding of subject matters, clarify incomplete information, think critically and provide innovative suggestions. Comments are insightful and constructive. Substantiates personal opinion with sound evidence.

## Appendix 2

## Rubric for Team Presentation and Discussion

Traits		Weightage	Performance	
<b>Design Factors (Team/ Individual)</b>	<b><u>Content (Team)</u></b> <ul style="list-style-type: none"> <li>• Presents relevant information</li> <li>• Supports main points with strong evidence</li> </ul>	40%	<b>Scant</b> Content is erroneous or irrelevant; references and supporting materials are absent. Lack of depth in content and little insights are exhibited. Presentation falls outside set time parameters.	<b>Substantially Developed</b> Content is accurate, thorough, and directly on point; strong support and references are provided. Exhibits depth and insight in content. Effective use of time and stays within time parameters.
			<b>Evaluation:</b> Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	
	<b><u>Quality of Slides (Team)</u></b> <ul style="list-style-type: none"> <li>• Information clear and concise</li> <li>• Slides are visually appealing</li> </ul>	10%	<b>Scant</b> The slides are difficult to read and too much information is presented in each slide. Lacks visual appeal. Use of animation (if any) is distracting.	<b>Substantially Developed</b> Information is clear and concise on each slide. Slides are visually appealing. Use of animation (if any) is appropriate.
			<b>Evaluation:</b> Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	
	<b><u>Verbal (Individual)</u></b> <ul style="list-style-type: none"> <li>• Speaks at appropriate speed and volume</li> <li>• Uses correct grammar and pronunciation</li> </ul>	15%	<b>Scant</b> Grammar, pronunciation and word choice are deficient. Vocal delivery is too soft or too fast to understand; gap-fillers interfere with expression.	<b>Substantially Developed</b> Free of errors in grammar and pronunciation; good choices of word enhance clarity of expression. Vocal delivery is varied and dynamic. Speech rate, volume, and tone facilitate audience comprehension. Minimal gap fillers.
			<b>Evaluation:</b> Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	
	<b><u>Non-Verbal (Individual)</u></b> <ul style="list-style-type: none"> <li>• Establishes eye contact</li> <li>• Uses gestures and movement to convey energy and confidence</li> </ul>	15%	<b>Scant</b> Eye contact, posture, gestures, movement and facial expressions are inappropriate and significantly distracting.	<b>Substantially Developed</b> Eye contact, posture, gestures, movement and facial expressions make the presentation compelling, and speaker appears polished and confident.
			<b>Evaluation:</b> Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	

<b><u>Situational Factors (Individual)</u></b>	<ul style="list-style-type: none"> <li>• Audience engagement</li> <li>• Constructive replies/response to questions</li> <li>• Ability to handle opposing views</li> </ul>	<b>20%</b>	<b>Scant</b> Little or no interaction with audience. Replies/response to questions posed is scant and do not effectively address opposing views.	<b>Substantially Developed</b> Interacts meaningfully and actively with audience. Strong ability to provide constructive replies/response to questions posed and handle opposing views.
			<b>Evaluation:</b> Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	

**Appendix 3**  
**Rubrics for Written Assignment (15%)**

	<b>Performance Levels</b>		
	<b>“C”-“F” (Poor)</b>	<b>“B” (Satisfactory)</b>	<b>“A” (Good)</b>
<b>Industry and strategy analysis (15%)</b>	Poor analysis due to misinterpretation or insufficient collection of information.	Good analysis of industry and strategic information pertaining to the chosen company, but information may not be complete or accurate. Occasional misinterpretation of information.	Excellent analysis of accurate, complete and relevant industry and strategic information pertaining to the chosen company.
<b>Accounting analysis (15%)</b>	Lack of appropriate analysis of chosen company’s accounting policies and earnings quality. Failed to perform accounting adjustments to obvious accounting distortions.	Good analysis of chosen company’s accounting policies and earnings quality. Performed appropriate accounting adjustments with some minor errors or doubtful assumptions.	Excellent analysis of chosen company’s accounting policies and earnings quality. Performed appropriate accounting adjustments with reasonable assumptions made.
<b>Financial Analysis (30%)</b>	Fail to decompose ROE or decompose ROE with major errors. Erroneous analysis and interpretation of financial ratios and cash flows.	Decompose ROE correctly with some minor errors. Good financial ratios and cash flow analysis.	Decompose ROE correctly without error. Excellent financial ratios and cash flow analysis.
<b>Prospective Analysis (30%)</b>	Unreasonable assumptions/estimates made to arrive at the chosen company’s intrinsic value. No attempt made to link estimates/assumptions to the chosen company’s industry and strategic information and hence forecasts are largely discretionary.	Made mostly reasonable assumptions/estimates to forecast relevant parameters for input into the residual income model to estimate the chosen company’s intrinsic value. However, some assumptions/estimates may not be reasonable or contradict the chosen company’s industry and strategic information.	Made reasonable assumptions/estimates to forecast relevant parameters for input into the residual income model to estimate the chosen company’s intrinsic value.
<b>Report writing skills (5%)</b>	Show poor ability to write, addressing few of the points and summarizing few of the key issues.	Show satisfactory ability to write, addressing most of the points and summarizing most of the key issues.	Show good ability to write, addressing all the points and summarizing all the key issues.
<b>Grammar, syntax and punctuations.</b>	Poor grammar, syntax, and punctuations. Poor citation.	Satisfactory grammar, syntax, and punctuations.	Good grammar, syntax, and punctuations.

	Performance Levels		
	"C"- "F" (Poor)	"B" (Satisfactory)	"A" (Good)
<b>Academic Citation. (5%)</b>		Satisfactory citation.	Good citation.

**Appendix 4**  
**Confidential Peer Rating Scale (For Written Assignment)**

Traits	Performance	
<p><b><u>Roles and Responsibility</u></b></p> <p>Behaves professionally by upholding responsibility and assuming accountability for self and others in progressing towards the team's goal.</p>	<p><b>Scant</b></p> <p>Unclear about his/her own role; refuses to take a role in the group; insists to work individually and has limited coordination or communication with others.</p>	<p><b>Substantially Developed</b></p> <p>Always fulfils responsibilities; performs his/her role within the group with enthusiasm and demonstrates willingness to work collaboratively.</p>
	<p><b>Evaluation: Scant 1 2 3 4 5 6 7 8 9 10 Substantially Developed</b></p>	
<p><b><u>Communication</u></b></p> <p>Identifies appropriate mechanisms to coordinate and correspond with team members.</p>	<p><b>Scant</b></p> <p>Modes of communication are not appropriate, causing confusion and miscommunication among team members.</p>	<p><b>Substantially Developed</b></p> <p>Modes of communication are appropriate; maintains timely communication and correspondence with team members.</p>
	<p><b>Evaluation: Scant 1 2 3 4 5 6 7 8 9 10 Substantially Developed</b></p>	
<p><b><u>Conflict Resolution</u></b></p> <p>Resolves conflicts using a variety of approaches.</p>	<p><b>Scant</b></p> <p>Does not recognize conflicts or is unwilling to resolve conflicts.</p>	<p><b>Substantially Developed</b></p> <p>Consistently resolves conflicts through facilitating open discussion and compromise.</p>
	<p><b>Evaluation: Scant 1 2 3 4 5 6 7 8 9 10 Substantially Developed</b></p>	
<p><b><u>Contributions</u></b></p> <p>Contributes positive input for the team; effectively utilizes one's knowledge and expertise.</p>	<p><b>Scant</b></p> <p>Largely disinterested in working in a group and refuses to participate; observes passively or is unwilling to share information with other team members.</p>	<p><b>Substantially Developed</b></p> <p>Actively attends and participates in all activities and provides meaningful contribution in articulating ideas and opinions.</p>
	<p><b>Evaluation: Scant 1 2 3 4 5 6 7 8 9 10 Substantially Developed</b></p>	
<p><b><u>Relationship</u></b></p>	<p><b>Scant</b></p> <p>Rarely listens to others and does not acknowledge the opinions that differ from his/her own.</p>	<p><b>Substantially Developed</b></p>
	<p><b>Evaluation: Scant 1 2 3 4 5 6 7 8 9 10 Substantially Developed</b></p>	

Maintains cooperative interaction with other team members regardless of individual /cultural differences and respects diverse perspectives.		Engages in respectful relationships with all other members in the team. Embraces and accepts diverse points of view without prejudice.
<b>Evaluation: Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed</b>		

**References:** *Teamwork Value Rubric - Association of American Colleges and Universities*. Retrieved from <http://www.aacu.org/value/rubrics/pdf/teamwork.pdf>

**Appendix 5**  
**Schedule of e-lectures and LAMS activities**

Seminar	LAMS topics	Available from	Available to
1	1. Introduction to Valuation Approaches 2. Residual Income Model	2 Jan 2022	8 Feb 2022
2	1. The Value Relevance of Accounting Information 2. Measurement perspective 3. Fair Value Accounting	9 Jan 2022	8 Feb 2022
3	<b>Note: e-learning week, no physical class</b> 1. Efficient Contracting Approach to Decision Usefulness 2. Earnings Management 3. Standard Setting	23 Jan 2022	8 Feb 2022
4	1. Strategy Analysis 2. Non-financial Information	23 Jan 2022	8 Feb 2022
5	1. Accounting Analysis 2. Accounting for Bonds and Compound Financial Instruments	30 Jan 2022	15 Feb 2022
6	EPS	6 Feb 2022	22 Feb 2022
7	Financial Analysis	13 Feb 2022	1 Mar 2022
Semester Break			
8	Earnings Quality	27 Feb 2022	15 Mar 2022
9	Valuation Theory and Models	6 Mar 2022	22 Mar 2022
10	Forecasting	13 Mar 2022	29 Mar 2022
11	1. Capital structure and cost of capital 2. Corporate Communication, Corporate Governance and CSR	20 Mar 2022	5 Apr 2022
12	<b>Note: e-learning week, no physical class</b> 1. Mergers and Acquisitions 2. Acquisition Accounting 3. Valuation of Intangible Assets 4. Impairment of Goodwill	3 Apr 2022	19 Apr 2022
13	No LAMS		

**Note: All LAMS questions that follow each video will be graded and the total scores for all the LAMS questions constitute 5% of your total course grade. You only have one attempt for each question to get it right.**