

Financial Statement Analysis

This is a general guideline and should be viewed as such. Anything covered in class can be tested.

1. Common-Size Financial Statements
 - (a) Vertical vs Horizontal
 - (b) Be able to calculate and interpret
2. Financial Ratios (will be given formulas)
 - (a) Groupings
 - (b) Be able to calculate and **interpret**
3. Dupont identity
4. Internal vs external uses of ratios
5. Benchmarking
 - (a) Time Trend vs Peer group
 - (b) SIC
6. Issues with financial statements