

# Financial Statement Analysis Group Exercise

This assignment asks you to perform common size and ratio analysis on a real company. Complete this assignment using Excel. You will present your results to the class on Wednesday 2/10. You will have 5 minutes to present. Submit your Excel file and slides to Brightspace.

1. You must complete the following:
  - (a) Select a public company and download 5 years of financial statements. (see [http://www.davidrmoore.com/BCOR3410/videos.html#video0\\_1](http://www.davidrmoore.com/BCOR3410/videos.html#video0_1))
  - (b) Complete a common-size income statement and balance sheet.
  - (c) Calculate at a one(1) ratio for each of the four (4) groups.
  - (d) Complete a Dupont Decomposition of ROE.
  - (e) Calculate a Peer or Industry average for at least two (2) ratios.
2. Your presentation must discuss at a minimum (6 slides):
  - (a) Introduction: Group members, company chose, industry of company, 1-2 bullet points on company.
  - (b) Key takeaways from common-size analysis. Must discuss at least one takeaway from Income statement **AND** Balance Sheet. (1 slide)
  - (c) What do ratios say about (Time trend: 1 slide)
    - i. Liquidity
    - ii. Efficiency
    - iii. Leverage
    - iv. Performance/Profitability
  - (d) What did you learn from Dupont Decomposition. (1 slide)
  - (e) What did we learn from Peer Group analysis (1 slide)
  - (f) Takeaways from the assignment: What did I learn? What challenges did we face? (1 slide)
    - Keep discussion relative to course concepts.
    - Avoid discussion of issues working with groups.