

Financial statement analysis

Group -1- (30⁰)

<p>Q-1-financial statements analysis would be simple if financial statement possess the following qualities except; A-comparable among companies B-consistent over time C-always fully reflect the economic position of the firm <input checked="" type="radio"/> D-A&B only</p> <p>Q-2- economic events and accounting entries don't correspond precisely because they diverge across the following dimension except; A-the dimension of timing B-the dimension of recognition <input checked="" type="radio"/> C-the dimension of disclosure D-the dimension of measurement</p> <p>Q-3- the managers of a company might look for answers for the following questions except; <input checked="" type="radio"/> A-is the company earning satisfactory income? B-is cash sufficient to pay our debt? C-What costs exceed budget? D- do customers paying their bills promptly?</p> <p>Q-4- equity investors are primarily interested in the following except; <input checked="" type="radio"/> A-short-term earning power of the business B-long-term earning power of the business C-the business ability to grow D-its ability to pay dividends and increase in value</p> <p>Q-5- one of the following of financial statement users is not external users with indirect interest; A-taxing authority <input checked="" type="radio"/> B-creditors C-customers D-labour unions</p> <p>Q-6- comparative measurement of risk and return to make investment or credit decision identifies; A-financial statements analysis B- credit analysis <input checked="" type="radio"/> C-the underlying objective of financial analysis D-industry analysis</p> <p>Q-7- investor who seeks an early payback of their investment is;</p>	<p>A-equity investor <input checked="" type="radio"/> B-short term creditors C-long-term creditor D-A&B</p> <p>Q-8-investors who are primarily concerned with the long-term assets position and earning power of the business are; A-equity investor B-short-term creditor <input checked="" type="radio"/> C-long-term creditor D-A&B</p> <p>Q-9- the application of analytical tools and techniques to general purposes financial statements and related data to derive estimates and inferences useful in business analysis known as; <input checked="" type="radio"/> A-financial statement analysis B-financial statement objective C-business objective D-business analysis</p> <p>Q-10-analysis of business environment seeks to identify and assess a company's economic and industry circumstances. This includes the following except; A-analysis of its product B-its labour C-its capital market <input checked="" type="radio"/> D-none is correct</p> <p>Q-11-One of the following items is not current liability; A-Account payable B-Wages payable <input checked="" type="radio"/> C-Unearned revenues D-Investment</p> <p>Q-12- Balance sheet consists of the following sections except: A- Asset B-Liability <input checked="" type="radio"/> C-Footnotes D-Stockholder equity</p> <p>Q-13- One of the following items is current assets: A-Account payable B-Wages payable C-Unearned revenues <input checked="" type="radio"/> D-Investment</p> <p>Q14-One of the following is not current assets: A-Investments <input checked="" type="radio"/> B-equipment C-Receiveable D-Inventory</p> <p>Q-15-Ratios are interpretable in comparison with the following except: A-Prior period ratios B-Ratios of competitors C-Predetermined standard <input checked="" type="radio"/> D-Vertical ratios</p>
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Group -2-
(40⁰)

Assume you have got the following data from Almanara Co at December 31-2021:

	2018	2017	2016
Sales revenues	Sp 150000	Sp 120000	Sp 100000
Cost of goods sold	70000	65000	55000
Gross profit	Sp 80000	Sp 55000	Sp 45000
Operating expenses	35000	30000	20000
Operating income before taxes	Sp 45000	Sp 25000	Sp 25000
Taxes relating to operations	4500	2500	2500
Net income	Sp 40500	Sp 22500	Sp 22500

1- Assume you choose sales revenues as a base amount for comparison, calculate the following trends: (20⁰)

Comparative year/Base year ×100

- 1- Operating expenses percent trend for the year 2017 represent:
- 2- Operating income before taxes percent trend for the year 2018 is:
- 3- Net income percent trend for the year 2018 is:
- 4- Cost of goods sold percent trend for the year 2016 is:

2- Assume you choose year 2016 as a base year for trend analysis(20⁰)

Comparative year/Base year ×100

- 1-Sales revenues percent trend for the year 2018
- 2--Gross profit percent trend for the year 2017 is
- 3-Operating income before taxes trend for the year 2018 is
- 4--Net income trend for the year 2018 is

2- ****Assume you have the following data for the years 2020-2021 (30⁰)**

	2021	2020
Current assets	Sp4157.7	Sp3625.3
Ending inventory	S1373.8	Sp1424.1
Current liabilities	Sp1836.2	Sp1786.7

3- Calculate the following ratios and comment on the result

- Q 1-Net working capital for the year 2021 is
- Q 2-Current ratio for the year 2020 is
- Q 3-Acid-test ratio for the year 2021 is

خيارات متعددة (30)

1-D 2-C 3- A 4-A 5-B 6-C 7-B 8-C
9-A 10- D 11-C 12- C 13-D 14-B 15- D

المجموعة الثانية- 1- (40⁰)

Comparative year/Base year ×100

Assume you choose a sales revenues as a base amount for comparison:

Q-1-the operating expenses percent trend for the year 2017 represent:

$$30.000 \div 120.000 \times 100 = \text{B-25\%}$$

Q-2 -Operating income before taxes percent trend for the year 2018 is:

$$45.000 \div 150.000 \times 100 = \text{D-30\%}$$

Q -3-Net income percent trend for the year 2018 is:

$$40.500 \div 150.000 \times 100 = \text{D- 27\%}$$

Q -4-Cost of goods sold percent trend for the year2016 is:

$$55.000 \div 100.000 \times 100 = \text{A-55\%}$$

Assume you choose year 2016 as a base year for trend analysis:

Q-1-Sales revenues percent trend for the year 2018

$$150.000 \div 100.000 \times 100 = \text{C-1.5\%}$$

Q -2-Gross profit percent trend for the year2017 is

$$55.000 \div 45.000 \times 100 = \text{A- 1.22}$$

Q -3-Operating income before taxes trend for the year 2018 is

$$45.000 \div 25000 \times 100 = \text{B-1.8\%}$$

Q -4-Net income trend for the year 2018 is

$$40.500 \div 22.500 \times 100 = \text{C-1.8\%}$$

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$$1- 4157.7 - 1836.2 = \text{B-Sp2321.5}$$

$$2- 3625.3 \div 1786.7 = \text{B-2.03}$$

$$3- (4157.7 - 1373.8) \div 1836.2 = \text{A-1.516}$$

Comments:

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