

**College Accounting – (Principles of Financial Accounting) – S. Marshall  
Summer Work**

Assignment:

Students will research Quarterly Earnings Reports for three Public Corporations reporting over the summer. Students will be required to report key components, calculate financial ratios and compare and contrast results.

**Part I**

Complete questions 1 – 16 for each of the three corporations.

**FINANCIAL STATEMENT ANALYSIS**

1. Name the Corporation and stock ticker. What city and state are the corporate headquarters located in?
2. Who is the Chief Executive Officer of the corporation?
3. List two of the corporation's main sources of revenue.
4. Name one of the corporation's top competitors.
5. What is the current price to purchase one share of stock?
6. What was the 52-week high?
7. What was the 52-week low?
8. On what date did the company release their quarterly results?
9. How much revenue did the company earn in the most recent quarter? Is revenue increasing or decreasing?

10. What was the profit or loss in the most recent quarter? Compare profit or loss to the previous quarter.
11. What is the ALOE equation for this company?
12. Calculate the "Profit Margin" for the most recent quarter. (Show your work)
13. Calculate the "Debt Ratio" for the most recent quarter. (Show your work)
14. Calculate the "Current Ratio" for the most recent quarter. (Show your work)
15. Calculate the "Return on Assets" for the most recent quarter. (Show your work)
16. Calculate the "Inventory Turnover Rate" for the most recent quarter. (Show your work)

## **Part II**

1. Explain what a "Profit Margin" tells you about a business.
2. Explain what a Debt Ratio tells you about a business.
3. Explain what a Current Ratio tells you about a business.
4. Explain what a "Return on Assets" measure tells you about a business.
5. Explain what an "Inventory Turnover Rate" is.

**Part III**

**Compare the financial results.**

<b>Company Name and Stock Ticker</b>	<b>Company #1</b>	<b>Company #2</b>	<b>Company #3</b>
52 Week High			
52 Week Low			
Current Price Per Share			
Profit Margin			
Debt Ratio			
Current Ratio			
Return on Assets			
Inventory Turnover Rate			

**Part IV**

Based on the quarterly results, which company would you recommend investing in? Explain.