

Financial Statement Analysis  
Homework exercise  
Due May 10

Using Evergrande's financial statements (included in your casebook), prepare the following

Percentage change income statement for 2015 and 2016.

Common size income statement for 2015 and 2016

Calculate the following ratios for 2015 and 2016

Liquidity ratios

Current ratio

Quick ratio

Solvency ratios

Long term debt to equity

Liabilities to assets

Cash flow operations to liabilities

Cash flow operations to CAPEX

Interest coverage

Efficiency ratios

Accounts receivable turnover

Accounts payable turnover

Asset turnover

Days receivable outstanding

Days inventory outstanding

Days payable outstanding

Profitability ratios

Return on assets

Return on equity

Profit margin

Financial leverage

The case **An Overview of Financial Statement Analysis: The Mechanics** included in your casebook will be helpful.

You may do this in teams of up to three students.