

Analyzing a Business & Its Financial Statements ©

Objective: This course will explain how to analyze a business and its financial statements to help you make better business or investment decisions. Learn how to determine if the business is improving or declining. Pick up tips on how to find the areas that need improvement. Learn how to read between the lines. For example: Should you invest in a particular company? Should a company expand its business or contract? Should credit be extended to a customer? Numerous practical tips will be provided.

Learning objectives:

- Explain why financial statements do **not** give you all of the information you really need
- List other sources of information you should consider
- Note how to evaluate a business
- List the key factors you should look for in evaluating a balance sheet
- Explain how to evaluate an income statement
- Describe how the “bottom line” can be manipulated
- Note how cash flow can be manipulated
- Highlight the advantages and disadvantages of ratio analysis
- Explain where the value of a business comes from
- List other metrics to consider
- Describe how the value of a business can be increased
- State how to put the financial statements in context

CPE: 4 hours

Level: Basic

Category: Accounting & Auditing

Prerequisites: None

Instructor: Dennis J. Gerschick

Code: ABFS