Financial Statement Analysis Final Paper Academic Level : Bachelor Paper details Write a five- to seven-page comparative financial statement analysis of the three companies listed below, formatted according to APA style as outlined in the Ashford Writing Center. In this analysis, you will discuss the financial health of these companies with the ultimate goal of making a recommendation to other investors. Your paper should consist of the following sections: Company Overview, Comparison of Accounting Methods, Ratio Analysis, Final Recommendation, Conclusions. You will also submit an appendix as a separate document. Additional research may be necessary to provide company background information, or to support your analysis and recommendations. Your paper needs to include a minimum of two scholarly, peer-reviewed, and/or credible resources in addition to the textbook as references. Download the Form 10-K for each company. The Coca-Cola Company: Form 10-K. (Links to an external site.)Financial statements and notes start on page 60. Accounts receivable, page 66 Inventories, page 66 Depreciation, page 66 Goodwill, page 66 Dr. Pepper Annual Report (Links to an external site.). Financial statements and notes start on page 53. Click on Download Annual Report Open with Adobe Accounts receivable, page 59 Inventories, page 70 Depreciation, page 60 Goodwill, page 61 PepsiCo Annual Report (Links to an external site.). Financial statements and notes start on page 79. Accounts receivable, page 87, Note 2 Inventories, page 124, Note 13 Depreciation, page 96, Note 4 Goodwill, page 96, Note 4 Here is a breakdown of the sections within the body of the assignment (Use paragraph headings to indicate each section): Company Overview Provide a brief overview of the three companies (at least two pages). What industry is it in? What are its main products or services? Who are its competitors? Where is the company located? Ratio Analysis Calculate the current ratio, quick ratio, gross profit percentage, inventory turnover, accounts receivable turnover and asset turnover ratios for all three companies for the current year.

Note: Cash includes cash and cash equivalents and short term investments. Explain how the ratio is calculated and discuss and interpret the ratios that you calculated. Discuss potential liquidity issues based on your calculations of the current and quick ratios. Are there any factors that could be erroneously influencing the results of the ratios? Discuss liquidity issues of the three companies. Comparison of Accounting Methods In your paper, ascertain from the notes of the financial statements the following: Explain the difference between the allowance method and the direct write off method for accounts receivable. Document the method used for each of the three companies. Explain the difference between the straight line, double declining balance and the unit-of-production depreciation methods. Document the method used for each of the three companies. Explain the difference between LIFO and FIFO and document the method used for each of the three companies. Explain the different categories of intangible assets and document the method used for each of the three companies. Recommendation Based on your analysis, would you recommend an individual invest in these companies? What strengths do you see? What risks do you see? It is perfectly acceptable to state that you would recommend avoiding this company, as long as you provide support for your position.

Conclusions Include an appendix in a separate document. The appendix must include screenshots of the financial statements and information obtained for the receivables, intangible assets, depreciation, and inventory. You can get help with creating an appendix in APA format by using the Ashford Writing Center’s guide, Tables, Images, & Appendices (Links to an external site.). The Financial Statement Analysis Final Paper Must be five to seven double-spaced pages in length (not including title and references pages) and formatted according to APA style as outlined in the Ashford Writing Center’s APA Style (Links to an external site.) Must include a separate title page with the following: Title of paper Student’s name Course name and number Instructor’s name Date submitted For further assistance with the formatting and the title page, refer to APA Formatting for Word 2013 (Links to an external site.). Must utilize academic voice. See the Academic Voice (Links to an external site.) resource for additional guidance. Must include an introduction and conclusion paragraph. Your introduction paragraph needs to end with a clear thesis statement that indicates the purpose of your paper. For assistance on writing Introductions & Conclusions (Links to an external site.) as well as Writing a Thesis Statement (Links to an external site.), refer to the Ashford Writing Center resources. Must use at least two scholarly/peer-reviewed and/or credible resources in addition to the course text. The Scholarly, Peer-Reviewed, and Other Credible Sources (Links to an external site.) table offers additional guidance on appropriate source types. If you have questions about whether a specific source is appropriate for this assignment, please contact your instructor. Your instructor has the final say about the appropriateness of a specific source for a particular assignment. Must document any information used from sources in APA style as outlined in the Ashford Writing Center’s Citing Within Your Paper (Links to an external site.) Must include a separate references page that is formatted according to APA style as outlined in the Ashford Writing Center. See the Formatting Your References List (Links to an external site.) resource in the Ashford Writing Center for specifications.