Unit 09 Financial Statement Analysis

Content Area: **Business**
Course(s): **Accounting 2A**
Time Period: **Semester 2**
Length: **3 weeks**
Status: **Published**

Standards

NJ 2009 CCCS: Standard 9 21st Life and Career: 9.4 CTE:F Finance Career Cluster Pathway Accounting

9.4.12.F.(1).1 Access and evaluate financial information to assist business decision-making.

Ethics and Legal Responsibilities: Legal responsibilities, professional ethics, and codes of conduct affect management practices, business performance, and regulatory compliance, as well as the confidence of customers, business partners, and investors.

9.4.12.F.(1).2 Describe laws and regulations affecting business operations and transactions in order to ensure compliance with industry requirements.

Employability and Career Development: Employability skills and career and entrepreneurship opportunities build the capacity for successful careers in a global economy.

9.4.12.F.(1).3 Apply career planning concepts, tools, and strategies to explore, plan, obtain, and develop a career in this pathway.

Technical Skills: Technical knowledge and skills play a role in all careers within the cluster and pathway.

9.4.12.F.(1).4 Use accounting tools, strategies, and systems to plan the use and management of financial resources.

Enduring Understanding

A corporation may need to raise additional capital to grow or expand the company.

The issuance of stocks and bonds are some of the ways to acquire needed cash into a businss.

Essential Questions

Why is it important to analyze and compare my financial statements to both my own past performance as well as competitors?

How can financial ratio's help me analzye performance?

Knowledge and Skills

- Calculate and anaylze a series of financial ratios
- Evaluate favorable and unfavorabe trends in financial analysis
- Calculate Earnings Per Share
- Analyze a statement of stockholder equity
- Caculate Price Earnings Ratio
- Evalaute PE Ratio
- Calculate Rate earned on average stockholder equity
- Calculate to calculate rate earned on average total assets

Transfer Goals

Collected data can be reorganized to offer insights into decisions.

Attention to detail avoids mistakes.

Resources

Horngren's Financial and Managerial Accounting
Albert.io
Accountingcoach.com