



SNS College of Technology

Coimbatore - 35



23BAT605 - FINANCIAL STATEMENT
ANALYSIS

Unit I – Introduction

Topic: Guess?????



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Design Thinker

1st Indian Institution to Implement Design Thinking Curriculum
Redesigning Common Mind and Business Towards Excellence

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INTRODUCTION



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OWNS OWES



STARBUCKS CORPORATION
CONDENSED BALANCE SHEETS
(in millions, except per share data)

| | Apr. 30, 2014 | Oct. 1, 2013 |
|---|--------------------|--------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 8,756.3 | \$ 7,462.3 |
| Short-term investments | 181.5 | 218.6 |
| Accounts receivable, net | 495.1 | 879.4 |
| Inventory | 1,400.5 | 1,364.0 |
| Prepaid expenses and other current assets | 1,422.8 | 118.1 |
| Total current assets | 12,256.2 | 10,042.4 |
| Long-term investments | 24.7 | 325.4 |
| Equity and asset investments | 714.7 | 481.9 |
| Property, plant and equipment, net | 5,828.1 | 4,919.5 |
| Deferred income taxes, net | 114.7 | 705.4 |
| Other long-term assets | 412.2 | 362.8 |
| Other intangible assets | 1,042.2 | 441.4 |
| Goodwill | 3,341.6 | 1,919.2 |
| TOTAL ASSETS | \$ 34,156.4 | \$ 16,355.6 |

Statement of Financial
Position



DEFINITION

RECORDING

CLASSIFYING



Summarising

A summary retells the main events of a text in a shorter version



Definition - 1

“Accounting is the art of **recording, classifying and summarising** in significant manner and **in terms of money, transactions and events** which are, in part, at least of financial character and **interpreting** the results thereof”

-- American Institute of Certified Public Accountant, 1941



CONTD.,



| XAO CORPORATION Trial Balance January 31, 20X3 | | |
|--|-----------------|-----------------|
| | Debits | Credits |
| Cash | \$26,300 | |
| Accounts receivable | 3,200 | |
| Land | 15,000 | |
| Accounts payable | | 5,500 |
| Notes payable | | 10,000 |
| Capital stock | | 25,000 |
| Service revenues | | 12,000 |
| Advertising expense | 2,000 | |
| Utilities expense | 1,000 | |
| | <u>\$47,500</u> | <u>\$47,500</u> |



**Time for the
assessment...**



MCQ

- What is the first step in Accounting?

Recording

Analysing

Classifying





Summary

- AFM Definition





References...

- <http://icmai.in/>
- www.accountingtools.com

Thank
you



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