

# Financial Ratios

(Crossword Puzzle #2)

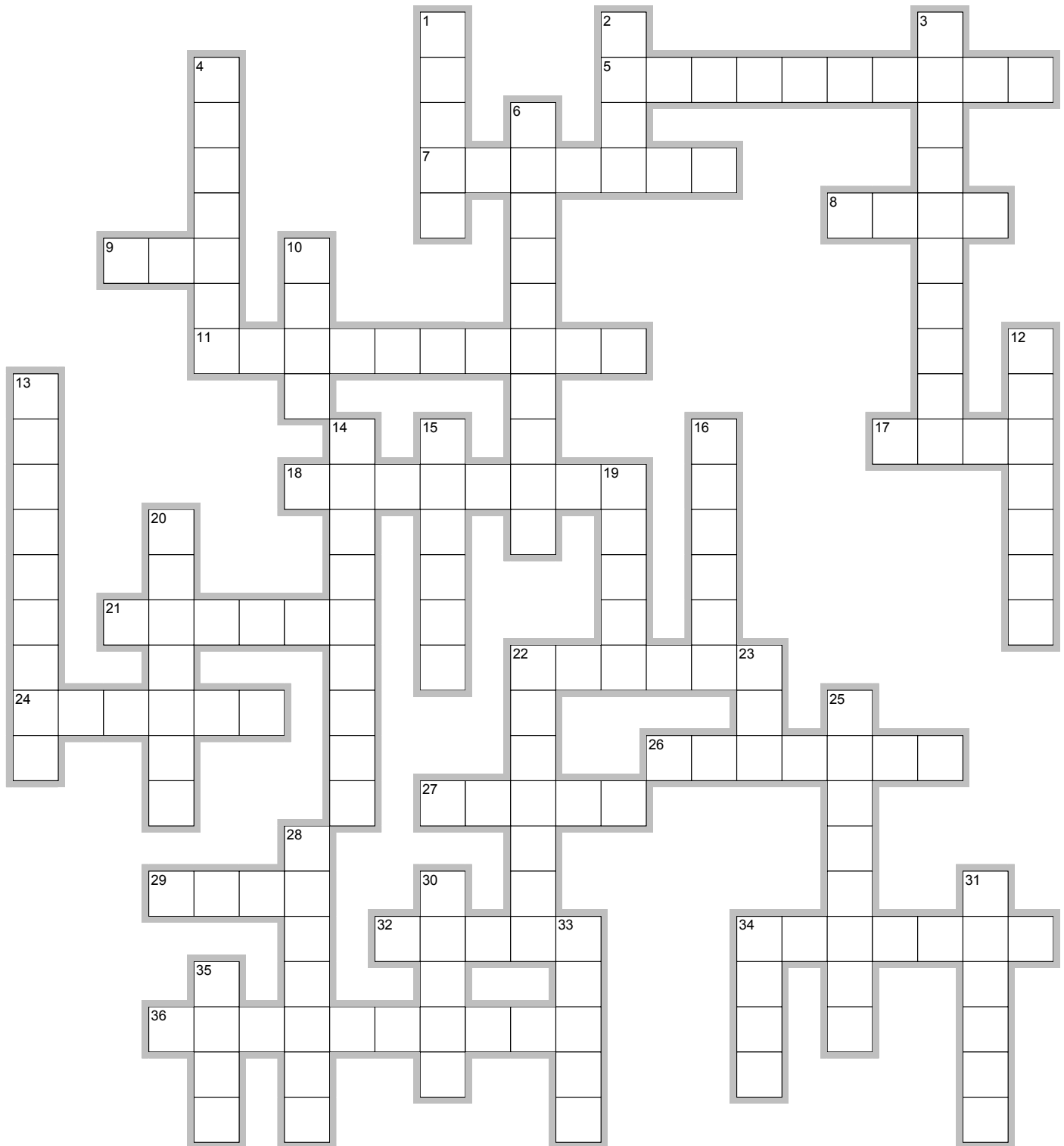


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# Crossword Puzzle (Financial Ratios #2)



## ACROSS (Financial Ratios #2)

5. ROI is the acronym for return on \_\_\_\_\_.
7. This ratio is an indicator of a company's liquidity.
8. The cash from operating activities minus capital expenditures is one definition of \_\_\_\_\_ cash flow.
9. Working capital is also referred to as \_\_\_\_\_ working capital.
11. If a corporation's stock is publicly traded, you can learn much about the corporation's operating results and liquidity from the section in its annual report entitled Management's \_\_\_\_\_ and Analysis.
17. With continuously increasing costs, LIFO will report \_\_\_\_\_ (more, less) profits than FIFO.
18. EBIT is the acronym for earnings before \_\_\_\_\_ and taxes.
21. The gross profit and the gross profit percentage are also referred to as the gross \_\_\_\_\_.
22. A common-size balance sheet expresses all amounts as a percentage of total \_\_\_\_\_.
24. An indicator of a company's use of leverage is the debt to \_\_\_\_\_ ratio.
26. The \_\_\_\_\_ basis of accounting provides a better indicator of profitability than the cash basis.
27. Non-GAAP financial statements that present a "what if" or future scenario are referred to as pro \_\_\_\_\_ statements.
29. The \_\_\_\_\_ (FIFO, LIFO) cost flow assumption results in smaller profits and smaller inventory values when the cost of inventory items is increasing.
32. Significant accounting policies are disclosed in the first of the many \_\_\_\_\_ to a company's financial statements.
34. The calculation of the current ratio is the total amount of current assets \_\_\_\_\_ by the total amount of the current liabilities.
36. Trend analysis is related to \_\_\_\_\_ analysis.

## Down (Financial Ratios #2)

1. This ratio is also known as the acid or acid-test ratio.
2. Common-\_\_\_\_\_ financial statements are equated with vertical analysis.
3. A common-size income statement expresses all amounts as a \_\_\_\_\_ of net sales.
4. A corporation's financial statements must be \_\_\_\_\_ by independent CPAs if the corporation's stock is publicly traded.
6. GAAP is the acronym for generally accepted accounting \_\_\_\_\_.
10. Depreciation is a common example of a non-\_\_\_\_\_ expense.
12. The difference between a company's inventory reported at LIFO and its inventory computed at FIFO is the LIFO valuation allowance or the LIFO \_\_\_\_\_.
13. The numerator for the earnings per share calculation is the corporation's earnings minus the required dividends for any \_\_\_\_\_ stock outstanding.
14. This significant current asset of a manufacturer or retailer is omitted from the calculation of the quick ratio.
15. The \_\_\_\_\_ on equity of a corporation without preferred stock is net income divided by average stockholders' equity.
16. The dividend \_\_\_\_\_ ratio is the common stock's annual dividend divided by the annual earnings available for common stock.
19. An indicator of a company's ability to meet its interest payments is \_\_\_\_\_ interest earned.
20. If the cash provided by operating activities is consistently less than net income, the \_\_\_\_\_ of the earnings is suspect.
22. The denominator used in calculating a turnover ratio should be the \_\_\_\_\_ amount of the balance sheet account during the period of the numerator.
23. The acronym for the U.S. government agency that has authority over the financial reporting of a publicly traded corporation.
25. The receivables \_\_\_\_\_ ratio is net credit sales divided by average accounts receivable.

## Down (Financial Ratios #2)

- 28. \_\_\_\_\_ capital is current assets minus current liabilities.
- 30. The balance sheet amounts represent a moment or \_\_\_\_\_ in time.
- 31. The income statement and the statement of cash flows report the amounts for the \_\_\_\_\_ of time indicated in their headings.
- 33. A company's average collection period is the average accounts receivable divided by the average \_\_\_\_\_ per day.
- 34. In financial analysis, the amount of the total liabilities is referred to as \_\_\_\_\_.
- 35. To calculate the inventory turnover, you divide the \_\_\_\_\_ of goods sold by average inventory.

# Solutions (Financial Ratios #2)

