

Financial Ratios

(Crossword Puzzle #3)

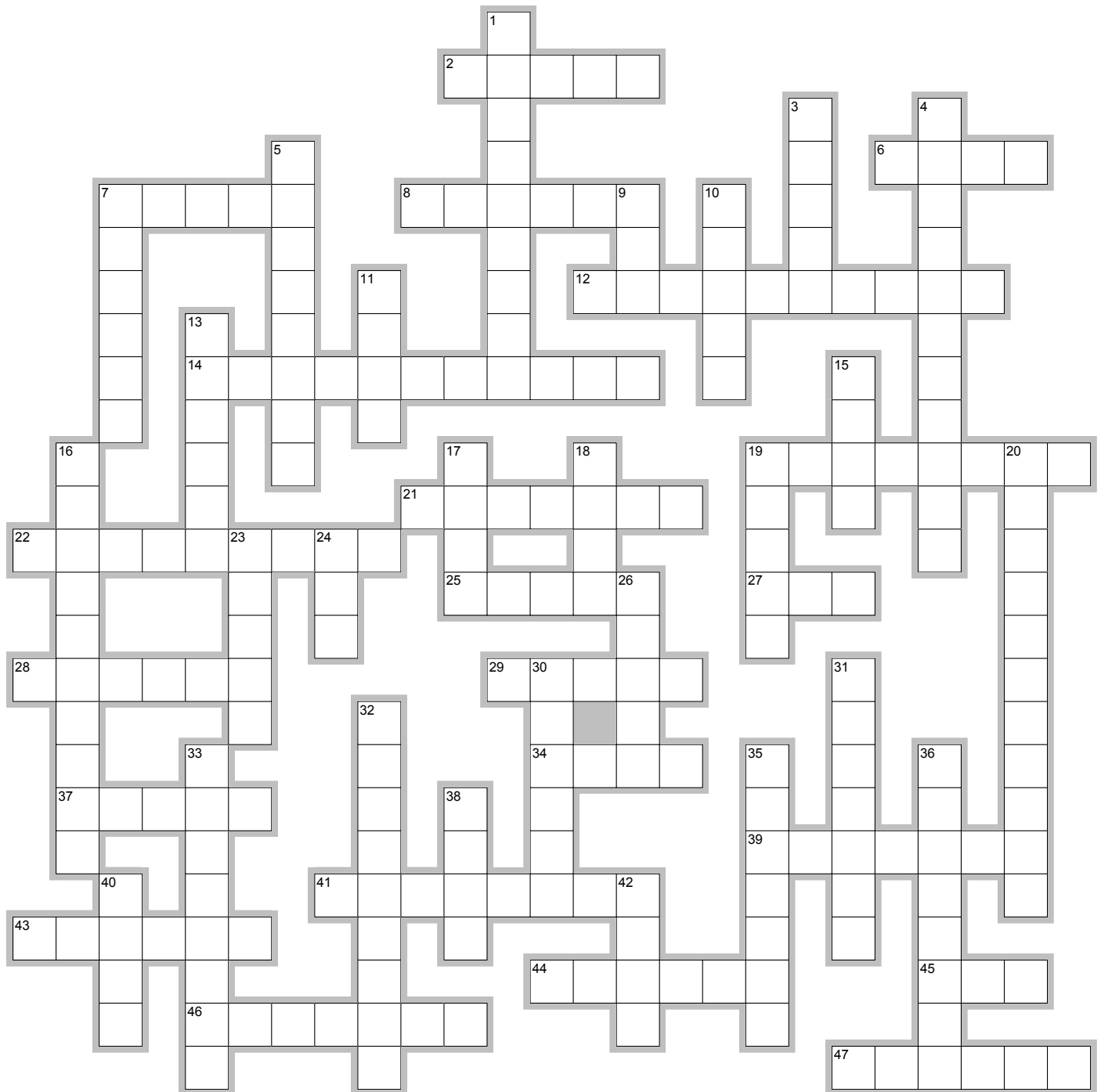


Harold Averkamp
CPA, MBA

Accounting
Coach[®]

Our materials are copyright © AccountingCoach, LLC and are for personal use by the original purchaser only. We do not allow our materials to be reproduced or distributed elsewhere.

Crossword Puzzle (Financial Ratios #3)



ACROSS (Financial Ratios #3)

2. Net sales minus the cost of goods sold is the _____ profit.
6. The _____ value of a corporation is the corporation's total amount of stockholders' equity.
7. The _____/Earnings ratio is a stock's market value per share divided by the earnings per share.
8. The accounts receivable turnover ratio is calculated as follows: net _____ sales divided by the average accounts receivable.
12. _____ analysis focuses on the dollar and percentage change from a previous year to the current year.
14. The EPS calculation for a year uses the number of shares of common stock that were _____ during the year.
19. Corporations whose stock is _____ traded must report its earnings per share on the face of the income statement.
21. _____ capital is defined as current assets minus current liabilities.
22. The average days' sales in _____ can be computed by dividing 365 days by the inventory turnover.
25. Earnings before interest and taxes divided by interest expense is the calculation for _____ interest earned.
27. Vertical analysis of an income statement shows each item as a percentage of _____ sales.
28. Net income divided by the average common stockholders' equity is the _____ on equity.
29. A stock's _____ is its annual cash dividend per share divided by the market price per share.
34. In addition to the income statement and balance sheet, another important financial statement is the statement of _____ flows.
37. The _____ to the financial statements are an integral part of the financial statements.

ACROSS (Financial Ratios #3)

- 39. To calculate a turnover rate, the denominator should be the _____ of several balance sheet amounts.
- 41. If a corporation has cumulative preferred stock, the preferred stock's _____ must be subtracted from the corporation's net income in the calculation of earnings per share.
- 43. Gross profit divided by net sales is the gross profit percentage or the gross _____.
- 44. The _____ ratio is the annual cash dividend per share of common stock divided by the earnings per share for the year.
- 45. The acronym for the U.S. government agency with authority over the reporting of publicly traded corporations. The agency also requires information in addition to that reported in the annual report to stockholders.
- 46. Corporations whose stock is publicly-traded are required to have their financial statements _____ by independent CPAs.
- 47. Vertical analysis of a balance sheet shows each item as a percentage of total _____.

Down (Financial Ratios #3)

1. The book value of a corporation's common stock is the corporation's total stockholders' equity minus the book value of its _____ stock (if any).
3. The debt _____ is total liabilities divided by total assets.
4. Financial statements which report the current year amounts and amounts from the previous one or two years are _____ financial statements.
5. When calculating EPS, the denominator uses the _____-average number of shares of common stock.
7. The amounts on the income statement are for a _____ of time.
9. If a company has \$400,000 of current assets and has \$200,000 of current liabilities, its current ratio is _____ to ONE.
10. Inventory is excluded from current assets when calculating the _____ ratio.
11. A corporation's significant accounting policies are usually contained in the first _____ to the financial statements.
13. EPS means the earnings per share of _____ stock.
15. The word used in financial ratios that means total liabilities.
16. An important source of information contained within a publicly-traded corporation's annual reports is _____'s Discussion and Analysis.
17. The inventory turnover ratio is the _____ of goods sold divided by the average inventory.
18. Financial statements expressed in the percentages determined from vertical analyses are known as common-_____ financial statements.
19. The amounts reported on the balance sheet are as of a _____ or moment in time.
20. The debt to equity ratio is total _____ to total stockholders' equity.
23. _____ analysis looks at the changes in amounts over many years.

Down (Financial Ratios #3)

- 24. The acronym for the association (formerly known as Robert Morris Associates) that compiles and publishes financial ratios for a wide range of industries.
- 26. Total asset turnover is calculated as follows: net _____ divided by average total assets.
- 30. Return on assets is net _____ divided by average total assets.
- 31. The sale of inventory for cash will improve the quick ratio, but will not change the _____ ratio.
- 32. The current ratio and the quick ratio are classified as _____ ratios.
- 33. _____ analysis of an income statement shows each amount as a percentage of net sales.
- 35. If a company's net cash from operating activities is consistently greater than its net income, the company's earnings are said to be of a high _____.
- 36. Financial ratios are one component of the larger topic, financial _____.
- 38. The _____-test ratio is the alternative name for the quick ratio.
- 40. The net cash from operating activities minus the cash needed for capital expenditures is known as _____ cash flow.
- 42. Ideally, the _____' sales in accounts receivable is not greater than the company's credit terms, such as net 30.

Solutions (Financial Ratios #3)

