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Nota di contenuto	Part 1 Reading Between the Lines. Chapter 1. The Adversarial Nature of Financial Reporting ; The Purpose of Financial Reporting ; The Flaws in the Reasoning ; Small Profits and Big Baths ; Maximizing Growth Expectations ; Downplaying Contingencies ; The Importance of Being Skeptical ; Conclusion -- Part 2. The Basic Financial Statements. Chapter 2. The Balance Sheet ; The Value Problem ; Comparability Problems in the Valuation of Financial Assets ; Instantaneous Wipeout of Value ; How Good Is Goodwill? ; Losing Value the OldFashioned Way ; True Equity Is Elusive ; Book Value May Overstate Reality ; Pros and Cons of a MarketBased Equity Figure ; The Common Form Balance Sheet ; Conclusion. Chapter 3. The Income Statement ; Making the Numbers Talk ; How Real Are the Numbers? ; Conclusion. Chapter 4. The Statement of Cash Flows ; The Cash Flow Statement and the Leveraged Buyout ; Analytical Applications ; In Defense of Slack ; Conclusion -- Part 3. A Closer Look at Profits. Chapter 5. What Is Profit? ; Bona Fide Profits versus Accounting Profits ; Which Costs Count? ; Conclusion. Chapter 6. Revenue Recognition ; Making It Up at Gowex ; Globo's Foreseen Fall from Grace ; ChannelStuffing in the Drug Business ; A Second Take on Earnings ; Making the Numbers at M/A

Com ; Astray on Layaway ; Recognizing Membership Fees ; A Potpourri of Liberal Revenue Recognition Techniques ; Fattening Earnings with Empty Calories ; Tardy Disclosure at Halliburton ; Managing Earnings with Rainy Day Reserves ; Fudging the Numbers: A Systematic Problem ; Conclusion. Chapter 7. Expense Recognition ; Diamond Foods's Movable Expenses ; Nortel's Deferred Profit Plan ; Grasping for Earnings at General Motors.

TimeShifting at Freddie Mac ; Conclusion. Chapter 8. The Applications and Limitations of EBITDA ; EBIT, EBITDA, and Total Enterprise Value ; The Role of EBITDA in Credit Analysis ; Abusing EBITDA ; A More Comprehensive Cash Flow Measure ; Working Capital Adds Punch to Cash Flow Analysis ; Conclusion. Chapter 9. The Reliability of Disclosure and Audits ; Where Was the Cash? ; Sloppiness Can Be a Red Flag ; How Manipulation Evades Detection ; Systematic Problems in Auditing ; Conclusion. Chapter 10. MergersandAcquisitions Accounting ; Goodwill Goes Bad ; Double Trouble ; Conclusion. Chapter 11. Is Fraud Detectable? ; Telltale Signs of Manipulation ; Fraudsters Know Few Limits ; Enron: A Media Sensation -- HealthSouth's Excruciating Ordeal -- Milk and Other Liquid Assets -- Trouble Was Brewing at Luckin -- Conclusion -- Part 4 Forecasts and Security Analysis ; Chapter 12. Forecasting Financial Statements ; A Typical One Year Projection ; Sensitivity Analysis with Projected Financial Statements ; Projecting Financial Flexibility ; Pro Forma Financial Statements ; Multiyear Projections ; Conclusion. Chapter 13. Credit Analysis ; Balance Sheet Ratios ; Income Statement Ratios ; Statement of Cash Flows Ratios ; Combination Ratios ; Relating Ratios to Credit Risk ; Conclusion. Chapter 14. Equity Analysis ; The Dividend Discount Model ; The PriceEarnings Ratio ; The Du Pont Formula ; Valuation through Restructuring Potential ; Advanced Equity Analysis ; Conclusion.

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#### Sommario/riassunto

The updated, real-world guide to interpreting and unpacking GAAP and non-GAAP financial statements In Financial Statement Analysis, 5th Edition, leading investment authority Martin Fridson returns with Fernando Alvarez to provide the analytical framework you need to scrutinize financial statements, whether you're evaluating a company's stock price or determining valuations for a merger or acquisition. Rather than taking financial statements at face value, you'll learn practical and straightforward analytical techniques for uncovering the reality behind the numbers. This fully revised and up-to-date 5th Edition offers fresh information that will help you to evaluate financial statements in today's volatile markets and uncertain economy. The declining connection between GAAP earnings and stock prices has introduced a need to discriminate between instructive and misleading non-GAAP alternatives. This book integrates the alternatives and provides guidance on understanding the extent to which non-GAAP reports, particularly from US companies, may be biased. Understanding financial statements is an essential skill for business professionals and investors. Most books on the subject proceed from the questionable premise that companies' objective is to present a true picture of their financial condition. A safer assumption is that they seek to minimize the cost of raising capital by portraying themselves in the most favorable light possible. Financial Statement Analysis teaches readers the tricks that companies use to mislead, so readers can more clearly interpret statements. Learn how to read and understand financial statements prepared according to GAAP and non-GAAP standards Compare CFROI, EVA, Valens, and other non-GAAP methodologies to determine how accurate companies' reports are Improve your business decision making, stock valuations, or merger and acquisition strategy Develop the essential skill of quickly and accurately gathering and

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