



FIN 470: Financial Analysis in Excel

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Group Excel Assignment 2, Financial Statements

Remember that for credit all Excel spreadsheets must conform to the [Excel Guidelines](#). Also, there was no Assignment 1.

CAUTION: Capital IQ (as well as other web sites) automatically downloads data as a 1997-2003 (xls) format Excel file. Immediately save your file in the current (xlsx) format since some recent Excel features are not available in the earlier format.

Download your firm's most recent quarterly income statement and balance sheet from [S&P CapitalIQ](#).

Paste these on a worksheet labeled, "FinStat", in a workbook called, "FIN 470 A2 Group X (Fall22)".

This is a 'static' spreadsheet, that is, it contains only numbers and text.

The assignment is to transform this into a dynamic spreadsheet:

1. Each calculated value, e.g., EBIT, should have a formula (not a number) in the cell.
2. Each cell should have the correct formatting for its contents: text, dates, numbers, etc.
3. Monetary values should be formatted as 'accounting' numbers so that negatives are indicated by parentheses and a red font, entries have two decimal points, there is a USD currency symbol, etc.
4. The cells should be formatted in the standard accounting format, e.g., line borders about calculated cells.
5. **IMPORTANT:** For the tax rate to use in the dynamic statements, determine the tax rate that is implied by the static pre- and post-tax numbers in the static statement. Put this percentage in a cell outside the statements and use a reference to it when you calculate the tax rate used in the dynamic statements.
6. In the end, you should be able to change one of the inputs, e.g., revenue, and all the other cells will be appropriately updated.

7. To the right of the financial statements, calculate the following dynamic ratios:
- a. Current Ratio
 - b. TIE Ratio
 - c. Total Asset Turnover
 - d. ROE
 - e. ROA
 - f. D/E Ratio