



CAREER CLUSTER

Finance

CAREER PATHWAY

Corporate Finance

INSTRUCTIONAL AREA

Financial Analysis

FINANCIAL STATEMENT ANALYSIS EVENT

PARTICIPANT INSTRUCTIONS

- The event will be presented to you through your reading of the General Performance Indicators, Specific Performance Indicators and Case Study Situation. You will have up to 60 minutes to review this information and prepare your presentation. You may make notes to use during your presentation.
- You will have up to 15 minutes to make your presentation to the judge (you may have more than one judge).
- Turn in all of your notes and event materials when you have completed the event.

GENERAL PERFORMANCE INDICATORS

- Communications skills—the ability to exchange information and ideas with others through writing, speaking, reading or listening
- Analytical skills—the ability to derive facts from data, findings from facts, conclusions from findings and recommendations from conclusions
- Production skills—the ability to take a concept from an idea and make it real
- Priorities/time management—the ability to determine priorities and manage time commitments
- Economic competencies

SPECIFIC PERFORMANCE INDICATORS

1. Calculate business profitability.
2. Calculate financial ratios.
3. Interpret financial statements.
4. Prepare management discussion and analysis.
5. Describe common management accounting performance measures.

CASE STUDY SITUATION

You work as management accountants for UNDER ARMOUR, INC. You have been provided with the past two years of income statements and have been asked to complete a comparative income statement and analyze the company's profit/loss overview using this statement.

UNDER ARMOUR was founded in 1996 by Kevin Plank, a then 23-year-old former special teams captain of the University of Maryland football team. UNDER ARMOUR is an American company that manufactures footwear, sports and casual apparel. UNDER ARMOUR's global headquarters is in Baltimore, Maryland. UNDER ARMOUR's mission is to make all athletes better through passion, design and the relentless pursuit of innovation.

(in thousands)	Year Ended December 31,		Increase/(Decrease)	
	2015	2014	Amount	Percentage
Net Revenues	3,963,313	3,084,370		
Cost of goods sold	2,057,766	1,572,164		
Gross profit	1,905,547	1,512,206		
Selling, general and administrative expenses	1,497,000	1,158,251		
Income from operations	408,547	353,955		
Interest expense, net	(14,628)	(5,335)		
Other expense, net	(7,234)	(6,410)		
Income before income taxes	386,685	342,210		
provision for income taxes	154,112	134,168		
Net income	232,573	208,042		

YOUR CHALLENGE

Provide a completed comparative income statement using the graphic organizer provided above. Provide a thorough analysis between 2014 and 2015. Be sure to discuss your analysis in terms of gross profit, selling and administrative expenses, COGS, net income before taxes and bottom line net income.

In addition, be prepared to discuss the following calculations:

- Profit Margin
- Operating Income
- Operating Margin
- Interest Coverage Ratio

You will present your findings to your manager in the manager's office, including interpreting your analysis and the overall financial strength of UNDER ARMOR, INC. based on the information provided. Your manager may be accompanied by other company management.

You will receive 2-3 questions from the judge pertaining to the case situation.



FINANCIAL STATEMENT ANALYSIS

Participant: _____

I.D. Number: _____

JUDGE EVALUATION FORM

2017-2018 Web Sample

Participant: _____

INSTRUCTIONAL AREA

Financial Analysis

I.D. Number: _____

Did the participant:

Did the participant:		Little/No Value	Below Expectations	Meets Expectations	Exceeds Expectations	Judged Score
PERFORMANCE INDICATORS						
1.	Calculate business profitability?	0-1-2-3	4-5-6-7-8	9-10-11-12	13-14-15	
2.	Calculate financial ratios?	0-1-2-3	4-5-6-7-8	9-10-11-12	13-14-15	
3.	Interpret financial statements?	0-1-2-3	4-5-6-7-8	9-10-11-12	13-14-15	
4.	Prepare management discussion and analysis?	0-1-2-3	4-5-6-7-8	9-10-11-12	13-14-15	
5.	Describe common management accounting performance measures?	0-1-2-3	4-5-6-7-8	9-10-11-12	13-14-15	
PRESENTATION						
6.	Demonstrate clarity of expression?	0-1	2-3	4	5	
7.	Organize ideas?	0-1	2-3	4	5	
8.	Show evidence of mature judgment?	0-1	2-3	4	5	
9.	Overall performance: appropriate appearance, poise, confidence, presentation, technique and responses to judge's questions?	0-1-2	3-4-5	6-7-8	9-10	
TOTAL SCORE						