Supervisor’s bachelor thesis evaluation report

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Title:         Financial Analysis of the Boeing Company
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The thesis falls within the area of corporate finance, particularly the evaluation of company’s financial performance. Understanding of this topic and its practical application is the core issue in financial management and it is a proper and current topic for the bachelor thesis. The objective of the thesis is clearly stated in the introductory chapter. The work aims at assessing the financial performance of Boeing Company. Regarding the content and results of the thesis, it is evident that the main goal has been achieved by the student.

The structure of the thesis is consistent with the thesis assignment. The author proceeds systematically and logically from the theoretical background to the practical application of selected methods. The work is divided into five main chapters. First, the objective is stated and methods of financial analysis are described. Contrary to the student, more appropriate way would be to begin with more general look at the company, common size analysis, and then continue with financial ratios. The student describes three main groups of ratios; however no attention is paid to solvency ratios. In the chapter 2.2, it is not clear why only the method of gradual changes is described in more detail. Next, the author gives an overall overview of Boeing Company; the main sources for this chapter are annual reports of the company. The student describes profile and main activities of the company. The student paid some attention to the characterisation of a main competitor, Airbus, however the comparison could have been elaborated more systematically. The core chapter is the chapter four, where the author uses the method of financial analysis on company’s data. Similarly to the theoretical part, the student starts with financial ratios analysis (without solvency ratios), then DuPont analysis, analysis of gradual changes and finally common size analysis.

The author has demonstrated ability to collect information and present results in a scholarly form. The visual layout of the work is adequate; the work contains tables and charts. The order of years in charts is somewhat confusing (from 2012 to 2008), some tables contain data which are not necessary (e.g. tables 4.1, 4.2, 4.3, 4.6 and so on, the items are presented in annexes), and some charts are not displayed in an appropriate scale (e.g. charts 4.9, 4.10). The work contains grammar and spelling errors, some explanations rather describe ratios and changes than critically assess and discuss possible relationships.

The student did not put much effort in terms of consultations during the semester and did not provide systematic work which is the main reason for all the deficiencies in the thesis. Nevertheless, the thesis fulfils the requirements for elaboration and I recommend it for the oral defence.

Ostrava, June 3, 2013

Martina Novotná