Report on Bachelor Thesis

Topic: Financial Situation Evaluation of the Li Ning Company Limited

Student: Shuang Rui

Bachelor thesis of the student Shuang Rui concentrates on traditional topic of financial management – financial analysis of a company. One of the primary objectives is identification of major changes in trends, and relationships and the investigation of the reasons underlying those changes, and so the area of the financial management is very important for company management and its decision – making. The topic of the bachelor thesis fully corresponds with the topics of bachelor thesis at the Department of Finance.

The objective of the theses is to use some financial analysis methods to analyze Li Ning Company’s financial situation from the year 2009 to 2013.

Bachelor thesis is divided into five main chapters, where first chapter is introduction, last chapter is conclusion, second chapter is theoretical and methodological, third chapter is descriptive and the chapter fourth is the application part.

Second chapter is concentrated on description of the financial analysis methods, which will be applied in the fourth chapter, i.e. common-size analysis [vertical and horizontal], financial ratios and DuPont analysis [methods of gradual changes and methods of logarithmic decomposition]. Third chapter, which is very short, is overwrited of Li Ning Company Limited – one of the leading sports companies in China.

The most important part of the bachelor thesis is the chapter fourth. The fourth chapter is able to divided into three parts. At first, author described Li Ning Company Limited by common-size analysis [vertical and horizontal] over the period of 2009 – 2013. In the second part, author made the financial analysis [ratios of liquidity, activity, solvency and profitability] and the last part includes pyramidal decompositions by methods of gradual changes and logarithmic decomposition. Results of methods are commented and presented in the tables and by graphs.

It is necessary to state, that comments should be better (comments are often reduced on the description input data and results, author should try to explain more reasons for changes in Li Ning Company Limited). It is also necessary to say that author should formulate some own financial recommendations or treats for this company.
Although comment of results is incomplete and there are many punctuation mistakes, the main aim of this thesis has been fulfilled and author also respects the formal guidelines, the bachelor thesis can be recommended to defense.

In Ostrava, 25th May 2015

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