Review of bachelor thesis

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Name: Financial analysis of Beiersdorf Company

Knowledge of previous and current financial position is necessary assumption for good financial decision. For this reason, the chosen topic of thesis can be considered as appropriate and relevant to the given level of study.

The objective of thesis is to analyse the financial situation of selected company during certain period. Respecting data, results and conclusions can be stated that the goals has been met. Regarding the name of thesis is not appropriate to use the name, which was used by author.

Theses are divided into five chapters. Logical continuity of individual chapters can be confirmed and mutual relationship between the theoretical and the practical part of the thesis can be evaluated as balanced. First two chapters are theoretical. The author described essential aspects of common size analysis, financial ratios and DuPont analysis. Moreover, individual source of information are mentioned as well. These ones, which are stated by author, are correct. Nevertheless, it would be better, if certain individual groups of ratios were mentioned more precisely. For example in case of profitability ratios return on capital employed is not stated, the same lack concerns the financial leverage, detail analysis of long-term and short-term debt ratios and in case of liquidity analysis explanation of working capital or net working capital.

Practical part of bachelor is devoted to details of common size analysis in the chapter 3. Later in chapter four, we can see results of the authors’ calculations and comments. The most of findings are correct. Only in case of current ratio, value of current liabilities stated in table 4.5 differs from the value of current assets in balance sheet. When it comes to profitability ratios, it can be claimed, that findings have been only described and not explained. Because EAT and EBIT influenced calculations, the author could have more thought over fact causing changes of earnings. However, generally can be claimed, that the author has demonstrated a good knowledge of the financial analysis, that he is able to work with real data and that he is able to make meaningful conclusions.

As regards to formal aspect of thesis, it is correct without mistakes and errors. Thesis contain charts and tables, which suitably complement the text, the author used appropriate books as source of information, nevertheless the author should use their as citations.
Despite the above complaints, it can be concluded that bachelor thesis can be recommended for defence without reservation.

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