Supervisor’s bachelor thesis assessment

Student: Ahemaitijiang Reiyska
Title: Financial Analysis of the Carrefour Company
Supervisor: Ing. Martina Novotná, Ph.D.

The thesis is focused on the problem of financial analysis, which is a topical problem in the area of corporate finance. The ability to calculate financial indicators, properly interpret results and take adequate measures is the key aspect in financial management. For this reason, the topic is highly suitable for the bachelor thesis. The objective of the thesis is stated in the introductory chapter, the student aims at analysing the financial performance of the Carrefour Company over the period 2006-2010. With respect to the content and results of this work, it is evident that the goal has been achieved by the student.

The structure of the thesis reflects the thesis assignment, the author proceeds systematically and logically from the theoretical background to the practical application of chosen methods. The overall elaboration meets formal requirements; references to sources and literature have been properly used. The author has demonstrated her ability to collect information and data and to present results concisely and in a scholarly form. The visual layout of the work is adequate; there are minor grammar and typing errors in the text.

The work consists of five main chapters. The theoretical background and description of methodology is included in chapter two. The student has paid adequate attention to all main areas of financial analysis. In the third chapter of this work, the general information about the Carrefour Company is provided, including the history, store formats and characterisation of the main international competitor, Wal-Mart.

The core chapter of this work is chapter four, in which the practical application of selected methods is carried out by the student. The company has been assessed by common size analysis (vertical and horizontal) and financial ratios analysis, the attention is paid to four main areas such as activity, liquidity, leverage and profitability analysis. The analysis is performed in detail; some indicators have been compared with Wal-Mart’s ratios. Results and findings are clearly presented in tables and graphs, accompanied by author’s interpretations, however not always in a comprehensive manner (e.g. page 48, where the student suggests the company to pay more attention to profitability instead of a more specific recommendation). DuPont analysis and quantification of influences (2006-2010) is carried out clearly and in detail, which should be positively taken into account.

Based on the thesis, the student is able to identify a problem and use an appropriate methodology to solve the problem. It is evident that the student is capable of original and independent work. Regardless of the comments above, the work satisfies the requirements for the elaboration and provides author’s original results and suggestions.

Themes for discussion:
- Is the relatively low level of liquidity ratios typical in the retail industry?

For the reasons above, I recommend the thesis for the oral defence.

Ostrava, June 18, 2012.

Ing. Martina Novotná, Ph.D.