Report on Bachelor Thesis

**Topic:** Financial Analysis of Procter & Gamble Company

**Student:** Ruitong Wang

Bachelor thesis of the student Ruitong Wang 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 aim of this bachelor thesis is to use the methods that we will describe in chapter 2, which are common-size, financial ratio and pyramidal decomposition, to make financial analysis of Procter & Gamble Company and to assess Procter & Gamble Company’s operation.“

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 able to divided into two parts, at first are described financial statements and then the attention is concentrated on describing financial analysis methods, which will be applied in the fourth chapter, i.e. common-size analysis [vertical and horizontal], financial ratios and Pyramidal decompositions. In the third chapter is overwrited Procter & Gamble Company which is primarily specialized in a wide range of cleaning agents, personal care and hygienics products. Also Procter & Gamble is one of the largest company in the World.

The most important part of the bachelor thesis is the chapter fourth. This chapter is able to divided into two parts. In the first part is described Procter & Gamble company by common-size analysis. In the second part author made the financial analysis [ratios of liquidity, activity, solvency and profitability including pyramidal decompositions of Procter & Gamble over the period of 2011 - 2016. Results of methods are commented and presented in the tables and by graphs.

It is necessary to state, that comments should be better (comments of obtained results are often reduced on the description input data and results, author have to explain more reasons for changes in Procter & Gamble company). It is also necessary to say, that author should formulate some own financial recommendations or treats for this company.
Significant shortcomings of this bachelor thesis are in the chapter 4.3 - Pyramidal decomposition, there are only results in Tab. 4.22 and general comments. The inclusion of the Tab. 4.23 (Data of costs) and the Figure 4.24 (the same figure is also in chapter 2.3.3, page 21) in this chapter is absolutely incomprehensible to the reader.

Although comment of results is incomplete and there are many punctuation and formal mistakes, the main aim of this thesis has been fulfilled and so, the bachelor thesis can be recommended to defense.

In Ostrava, 22th May 2017

[Signature]

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