

# 7


# REPORT WRITING

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## LEARNING OBJECTIVE

After studying this chapter, you should be able to:

- Understand how to write a financial statement
- Explain the Two-Year Comparison Report, Group Comparison Report, Five Year Trend Analysis Report

 <b>KEY TERMS</b>		
<b>This chapter features these terms which you should strive to do more research about:</b>		
Current Ratio	Quick Ratio	Defensive Interval Days
Accounts Receivable Turnover	Percent Gross Profit	Equity Multiplier
Times Interest Earned	Cash	Inventory
Property and Equipment	Accumulated Depreciation	Additional Paid-In Capital
Sales	Depreciation Expense	Interest Expense

### How to Write a Financial Report?

Financial Analysts or Accountants are communicators. Accountancy is the art of communicating financial information about a business entity to users such as shareholders, stakeholders, managers, etc. The communication is generally in the form of financial statements that show in money terms the economic resources under the control of the management. The art lies in selecting the information that is relevant to the user and is reliable.

Shareholders require periodic information that the managers are accounting properly for the resources under their control. This information helps the shareholders to evaluate the performance of the managers. The performance measured by the accountant shows the extent to which the economic resources of the business have grown or diminished during the year.

The accountant's role is to ensure that the information provided is useful for making decisions. For external users, the accountant achieves this by providing a general-purpose financial statement that complies with statute and is reliable. For internal users, this is done by interfacing with the user and establishing exactly what financial information is relevant to the decision that is to be made.

A number of user steps and accounting action steps can be identified within a financial decision model. These are shown in figure below.

User	USER / ACCOUNTANT INTERFACE	Accountant
<b>User Step 1</b> Identify decision and how it is to be made		Identify the material information needed by the user
<b>User step 2</b> Establish with the accountant the information necessary for decision making		Measure the relevant information
<b>User step 3</b> Seek relevant data from the accountant		Prepare report for user to allow user to make decision Provide an understandable report to the user

At step 1, the accountant attempts to ensure that the decision is based on the appropriate appraisal methodology. However, the accountant is providing a service to a user and, while the accountant may give guidance, the final decision about methodology rests with the user.

At step 2, the accountant needs to establish the information necessary to support the decision that is to be made.

At step 3, the accountant needs to ensure that the user understands the full impact and financial implications of the accountant's report taking into account the user's level of understanding and prior knowledge. This may be overlooked by the accountant, who feels that the task has been completed when the written report has been typed.

It is important to remember in following the model that the accountant is attempting to satisfy the information needs of the individual user rather than those of a 'user group'. It is tempting to divide users into groups with apparently common information needs, without recognizing that a group contains individual users with different information needs.

The financial information provided in report needs to be easy to find, and written in such a way that the client can understand it. This is one reason why reports are divided

into sections clearly labeled with headings and sub-headings. Technical information which would clutter the body of the report is placed in the appendix. These considerations are important for accountants working in industry, so they are also significant for accounting and finance students writing a report for a fictional client.

The International Accounting Standards Committee (IASC) has stated that the objective of financial statements is to provide information about the financial position, performance and capability of an enterprise that is useful to a wide range of users in making economic decisions.

The IASC recognizes that all the information needs of all users cannot be met by financial statements, but it takes the view that some needs are common to all users: in particular, they have some interest in the financial position, performance and adaptability of the enterprise as a whole. This leaves open the question of which user is the primary target; the IASC states that, as investors are providers of risk capital, financial statements that meet their needs would also meet the needs of other users.

The IASB stated in 2005; that the financial statements published by a company for external users should consist of the following:

- A Statement of Financial Position;
- A Statement of Comprehensive Income;
- A Statement of Changes in Equity;
- A Cash Flow Statement;
- Notes comprising a summary of significant accounting policies and other explanatory notes.

**In 2007, the IASB stated that a complete set of financial statements should comprise:**

- A Statement of Financial Position as at the end of the Period;
- A Statement of Comprehensive Income for the Period;
- A Statement of changes in Equity for the Period;
- A Statement of Cash Flows for the Period;
- Notes comprising a summary of significant accounting policies and other explanatory information.

*Here is an example of Financial Report Writing of an imaginary company i.e. FAS Med. Group Plc.*

**FINANCIAL ANALYSIS FRW™**  
**Sample Reports**  
**2011-12**

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### **Introduction**

The AccuFund Financial Report Writer (FRW) is the key to reporting financial data from the General Ledger. The FRW gives users control of their Financial Reports as all reports can be completely defined to meet specific reporting requirements of the organization.

All required financial reports for internal management and external reporting purposes can be developed in the FRW. The various audiences will require the data with different levels of detail, reporting periods and types of data. The AccuFund Financial Report Writer makes it easy to respond to all users reporting needs.



### **Quick Analysis Financial Reports**

The collection of reports included in this document is based on the sample client data that has been transferred from AccuFund Financial Report Writer (FRW) for the FAS Med. Group Plc. Sample Client, set up as industry peers, as outlined in the last of this report. The provided reports include two-year comparison reports, five-year trend analysis reports, industry and group comparison reports, definitions, of categories, and ratio formulas.

**FAS Med. Group Plc.**  
**2011-12**  
**Financial Analysis Reports**



**Prepared by:**  
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James S. Ford has compiled the enclosed report for FAS Med. Group Plc. based on financial data compiled through March – April, 2012.

Each report has been customized for business to give the information that anyone need to compare annual business performance to comparable businesses within the industry (NAICS: 621111). This information can help to determine if business strategy is competitive within the industry and to pinpoint company's strengths and weaknesses. It will also enable to benchmark companies or firms performance over time, allowing charting the progress of business, to analyze business performance more effectively, and to make more informed decisions about company's direction.

Please review each report carefully as it is important that you fully understand the data presented here. Please be aware that the analysis presented is based on historical figures. It is not a prediction of the future but rather a tool for monitoring the progress of your business over time. This information should factor into your decision making, but it should certainly not be the only factor in your business decisions. Be sure to consult all appropriate resources and professionals before making any decisions that may affect the financial health of your company.

If you have any questions, please contact our office at 800-968-0600 at your earliest convenience. It is a privilege to provide you with services and tools to help you manage your business successfully.

Your commitment to James S. Ford is greatly appreciated!

**FAS MED. Group Plc.**  
**Balance Sheet: Two-Year Comparisons**  
**Amounts in Million Dollars (\$)**

Particulars	2012	2011	\$Variance	%Variance
<b>Assets</b>				
Cash & Equivalents	336,818	319,978	16,840	5.3%
Trade Accounts Receivable	134,569	127,841	6,728	5.3%
Inventory	12,985	13,657	-672	-4.9%
Other Current Assets	98,323	94,325	3,998	4.2%
<b>Total Current Assets</b>	<b>582,695</b>	<b>555,801</b>	<b>26,894</b>	<b>4.8%</b>
Long-term Investments	81,197	77,137	4,060	5.3%
Net Fixed Assets	412,458	383,750	28,708	7.5%
Intangible Assets	61,874	58,780	3,094	5.3%
Other Non-current Assets	78,390	74,471	3,919	5.3%
<b>Total Assets</b>	<b>1,216,614</b>	<b>1,149,939</b>	<b>66,675</b>	<b>5.8%</b>
<b>Liabilities</b>				
Accounts Payable	42,787	32,658	10,129	31.0%
Notes payable	88,247	83,835	4,412	5.3%
Accrued liabilities	532,506	530,190	2,316	0.4%
Income Taxes Payable	10,014	9,115	899	9.9%
Current Portion of Long-term Debt	111,238	115,676	-4,438	-3.8%
<b>Total Current Liabilities</b>	<b>784,792</b>	<b>771,474</b>	<b>13,318</b>	<b>1.7%</b>
Long-term Debt	281,809	263,352	18,457	7.0%
Other Long-term Liabilities	55,000	36,000	19,000	52.8%
<b>Total Long-term Liabilities</b>	<b>336,809</b>	<b>299,352</b>	<b>37,457</b>	<b>12.5%</b>
<b>Total Liabilities</b>	<b>121,601</b>	<b>1,070,826</b>	<b>50,775</b>	<b>4.7%</b>
Retained Earnings	95,013	79,113	15,900	20.1%
Total Equity	95,013	79,113	15,900	20.1%
<b>Total Liabilities &amp; Equity</b>	<b>1,216,614</b>	<b>1,149,939</b>	<b>66,675</b>	<b>5.8%</b>

**FAS MED. Group Plc.**  
**Statement of Income: Two-Year Comparisons**  
**Amounts in Million Dollars (\$)**

Particulars	2012	2011	\$Variance	%Variance
Sales	8,079,445	7,756,268	323,177	4.2%
Cost of Sales	0	0	0	0.0%
Gross Profit	8,079,445	7,756,268	232,177	4.2%
Operating Expenses	7,945,326	7,620,193	325,133	4.3%
Operating Profit	134,119	136,075	-1,956	-1.4%
Other Income	0	0	0	0.0%
Other Expenses	16,360	15,542	818	5.3%
EBIT	117,759	120,533	-2,774	-2.3%
Interest Expenses	72,301	68,439	3,862	5.6%
Earning Before Tax	45,458	52,094	-6,636	-12.7%
Provision for Income Tax	21,877	21,070	807	3.8%
Net Income	23,581	31,024	-7,443	-24.0%

Additional Information				
Owner's Compensation	\$2,853,654	\$2,796,581	\$57,073	2.0%
Depreciation Expenses	\$122,001	\$115,901	\$6,100	5.3%
Selling Expenses	\$0	\$0	\$0	0%

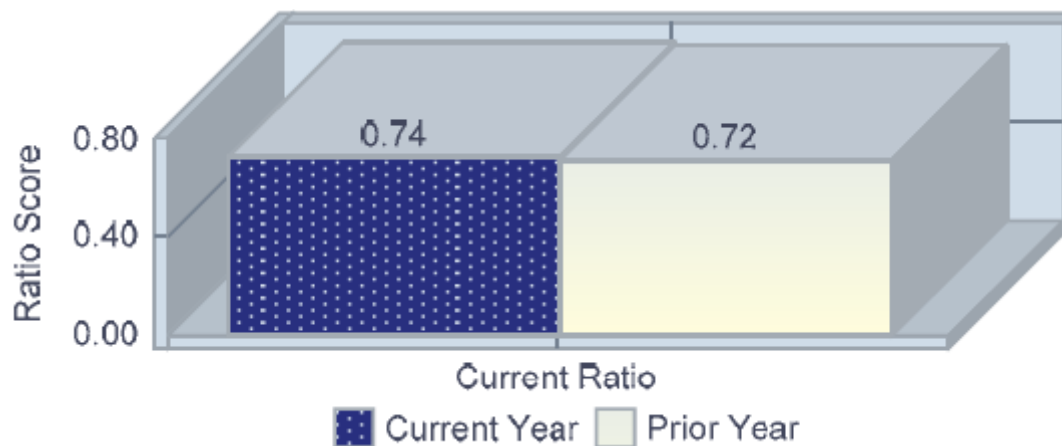
**FAS MED. Group Plc.**  
**Ratio Analysis: Two-Year Comparisons**

Ratios	2012	2011	%Variance
<b>Liquidity Ratios</b>			
Current Ratio	0.7	0.7	0.0%
Quick Ratio	0.6	0.6	0.0%
Defensive Interval Days	22.3	22.1	0.9%
Account Receivable to Working Capital	-0.7	-0.6	16.7%
Inventory to Working Capital	-0.1	-0.1	0.0%
Long-term Liabilities to Working Capital	-1.7	-1.4	21.4%
Sales to Working Capital	-40.0	-36.0	11.1%
<b>Activity Ratios</b>			
Account Receivable Turnover	60.0	60.7	-1.2%
Days Sales in Receivable	6.1	60.	1.7%
Inventor Turnover	0.0	0.0	0.0%
Days Cost of Sales in Inventory	0.0	0.0	0.0%
Account Payables Turnover	0.0	0.0	0.0%
Days Cost of Sales in Payables	0.0	0.0	0.0%
Operating Cycle Days	6.1	6.0	1.7%
Sales to Assets	6.6	6.7	-1.5%
Sales to Net Fixed Assets	19.6	20.2	-3.0%
Percent Depreciation to Fixed Assets	25.2	25.8	-2.3%
Percent Accumulated Depreciation to Fixed Assets	14.8	14.7	0.7%
Net Fixed Assets to Equity	4.3	4.9	-12.2%
<b>Profitability Ratios</b>			
Percent Gross Profit	100.0	100.0	0.0%
Percent Profit Margin on Sales	0.6	0.7	-14.3%
Percent Rate of Return on Assets	3.7	4.5	-17.8%
Percent rate of Return on Equity	47.8	65.8	-27.4%
Price Earnings ratio	0.0	0.0	0.0%
Earnings Per Share	0.0	0.0	0.0%
<b>Coverage Ratios</b>			
Debt to Total Assets	0.9	0.9	0.0%
Percent Owner's Equity	7.8	6.9	13.0%
Equity Multiplier	12.8	14.5	-11.7%
Debt to Equity	11.8	13.5	-12.6%
Cash Flows to Current Maturities Long-term Debt	1.3	1.3	0.0%
Times Interest Earned	1.6	1.8	-11.1%
Book Value Per Share	0.0	0.0	0.0%
<b>Expenses to Sales Ratios</b>			
Percent Depreciation to Sales	1.5	1.5	0.0%
Percent Owner's Compensation to Sales	35.3	36.1	-2.2%

**FAS Med. Group Plc.**  
**Detailed Ratio Analysis: Two-year Comparison**

***Current Ratio***

The current ratio for FAS Med. Group Plc. is 0.74, which compared to the baseline of 0.72 indicates the company's ability to service short-term obligations is satisfactory.

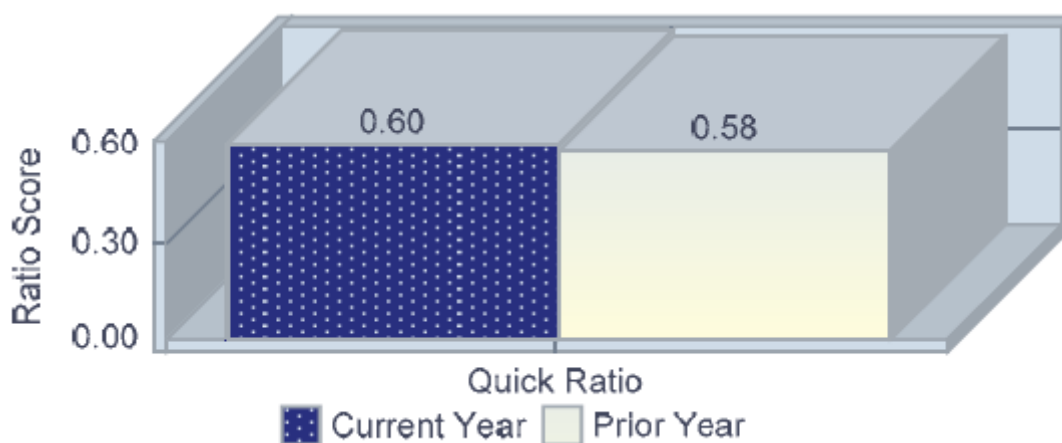


However the value of the quick ratio will provide a clearer indication of the company's success in this area.

***Quick Ratio***

Quick Ratio = (Cash + Marketable Securities + Trade Accounts Receivable) / Current Liabilities

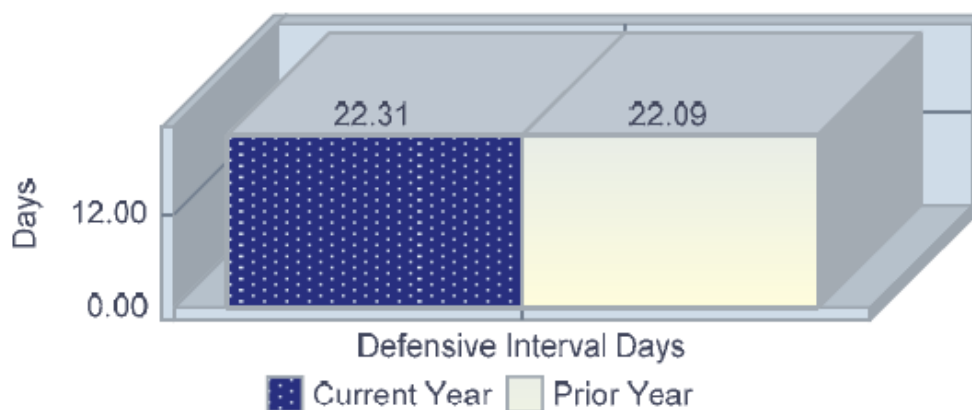
A higher number is preferred because it suggests a company has a strong ability to service short-term obligations. This ratio is a more reliable variation of the Current ratio because inventory, prepaid expenses, and other less liquid current assets are removed from the calculation.



The quick ratio for FAS Med. Group Plc. is 0.60, which compared to the baseline of 0.58 indicates the company's ability to service short-term obligations is favorable.

***Defensive Interval Days***

(Cash + Marketable Securities + Trade Accounts Receivable) / ((Operating Expenses - Other Expenses - Interest Expense - Provision for Income Taxes - Depreciation Expense) / Days)

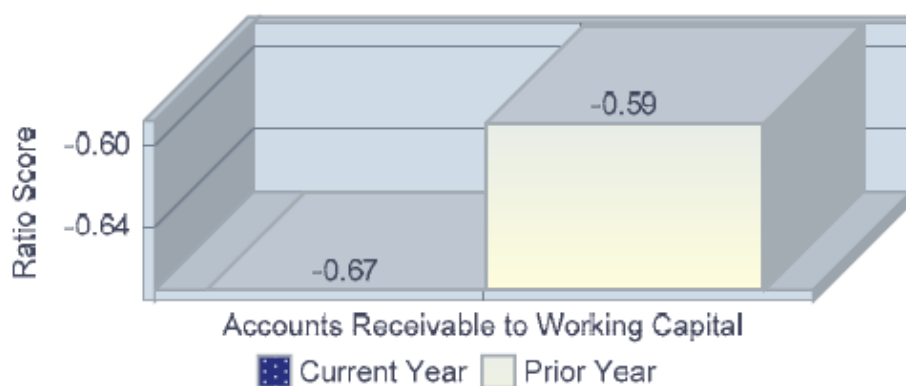


Defensive interval days for FAS Med. Group Plc. are 22.31 days that indicates that the company's degree of protection against insolvency may not be ideal.

### ***Accounts Receivable to Working Capital***

Trade Accounts Receivable / (Current Assets - Current Liabilities)

This ratio measures the dependency of working capital on the collection of receivables. A lower number for this ratio is preferred, indicating that a company has a satisfactory level of working capital and accounts receivable makes up an appropriate portion of current assets.

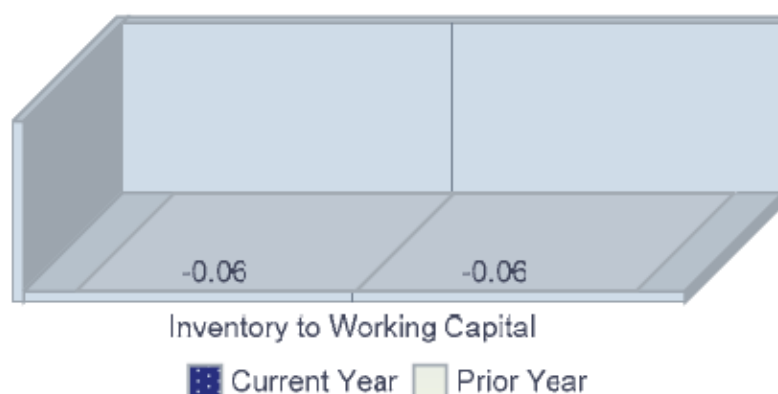


The accounts receivable to working capital ratio for FAS Med. Group Plc. is - 0.67, which compared to the baseline of - 0.59 indicates that the company's performance is sufficient in this area.

### ***Inventory to Working Capital***

Inventory / (Current Assets - Current Liabilities)

This ratio measures the dependency of working capital on inventory. A lower number for this ratio is preferred indicating that a company has a satisfactory level of working capital and inventory makes up a reasonable portion of current assets.



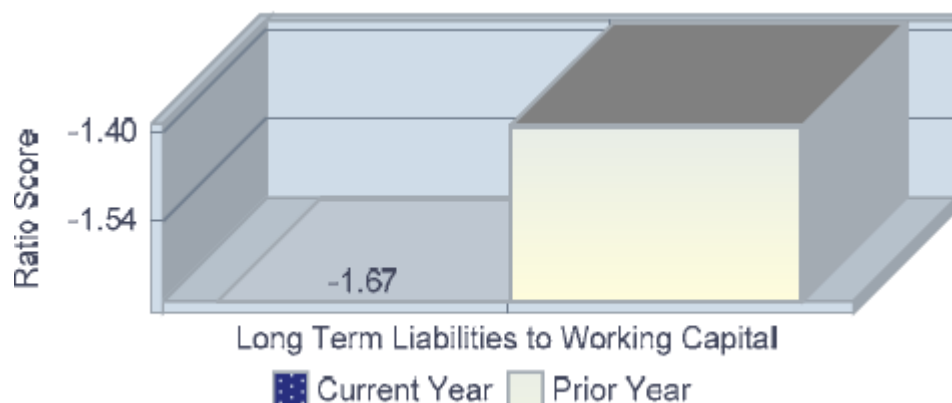


The inventory to working capital ratio for FAS Med. Group Plc. is - 0.06, which compared to the baseline of - 0.06 indicates this ratio is in line with company goals.

### ***Long Term Liabilities to Working Capital***

Long Term Liabilities / (Current Assets - Current Liabilities)

This ratio measures the degree to which a company's long-term debt has been used to replenish working capital versus fixed asset acquisition.

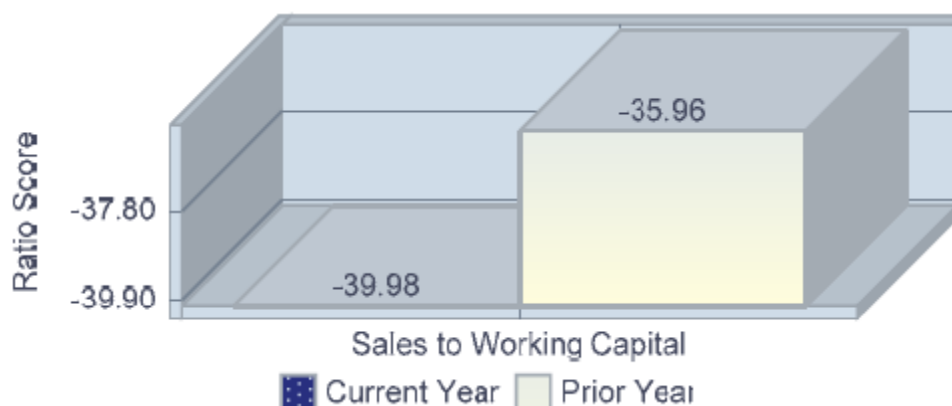


The long-term liabilities to working capital ratio for FAS Med. Group Plc. is - 1.67, which compared to the baseline of - 1.39 indicates the value of this ratio is meeting the company's expectations.

### ***Sales to Working Capital***

Sales / (Current Assets - Current Liabilities)

This ratio measures a company's ability to finance current operations. Working capital (current assets - current liabilities) is another measure of liquidity and the ability to cover short-term obligations. This ratio relates the ability of a company to generate sales using its working capital to determine how efficiently working capital is being used. In general, a lower number is preferred because it indicates a company has a satisfactory level of working capital. However, an exceptionally low number may indicate inadequate sales levels are being generated.



The sales to working capital ratio for FAS Med. Group Plc. are - 39.98, which compared to the baseline of - 35.96 reveals that the company's level of working capital is strong. The company may want to make an effort to generate additional sales using the available working capital.

### ***Recommendation to improve the liquidity ratio to FAS Med. Group Plc.***

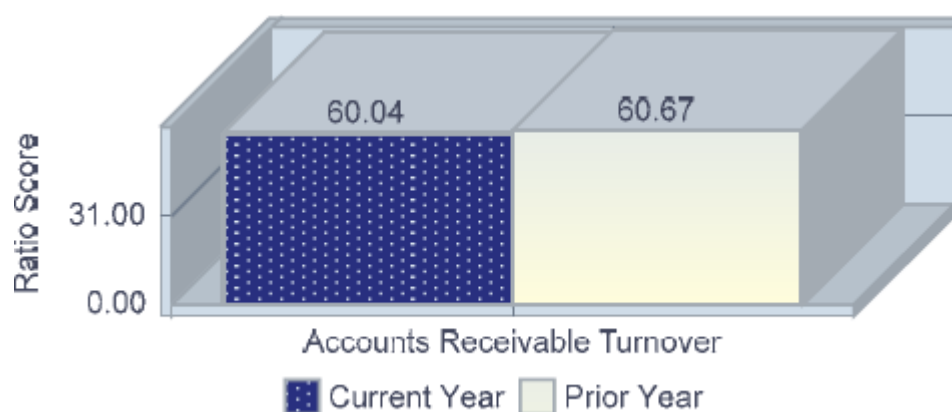
The following list includes several suggestions Liberty Medical Group should consider to improve the liquidity ratios:

- ❖ Reduce days in accounts receivable to improve current assets by evaluating accounts receivable on a more frequent basis and take a more assertive stance in the collection of accounts receivable and delinquent accounts.
- ❖ Prepare thorough cash forecasts and evaluate the company's ability to meet goals on a regular basis.
- ❖ Consider paying off short-term obligations if the cash position of the company is favorable.
- ❖ Consider converting short-term debt to long-term debt.
- ❖ Reduce levels of non-moving inventory.

### ***Accounts Receivable Turnover***

Sales / Trade Accounts Receivable

This ratio measures the number of times receivables turn over in a year and reveals how successful a company is in collecting its outstanding receivables. A higher number is preferred because it indicates a shorter time between sales and cash collection.

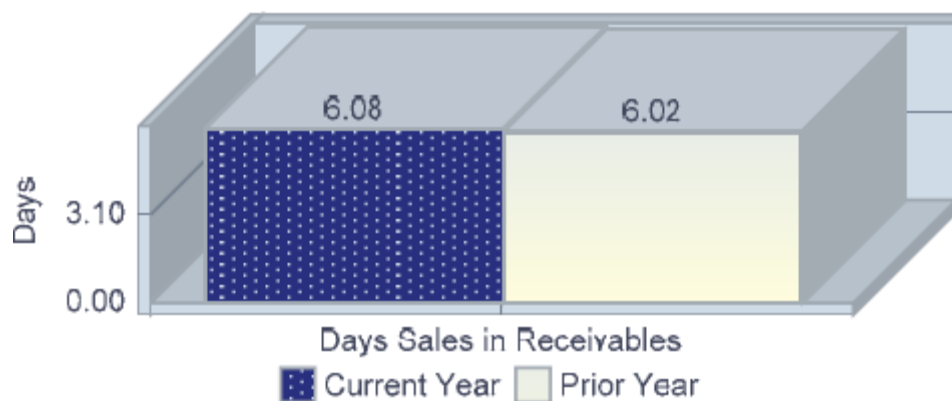


The accounts receivable turnover for FAS Med. Group Plc. is 60.04, which compared to the baseline of 60.67 suggests this ratio may not be on target with company objectives.

### ***Days Sales in Receivables***

Trade Accounts Receivable / (Sales / Days)

This ratio measures the average number of days a company's receivables are outstanding. A lower number of days are desired. An increase in the number of days receivables are outstanding indicates an increased possibility of late payment by customers. Companies should attempt to reduce the number of day's sales in receivables in order to increase cash flow. The general rule used is that the time allowed for payment by the selling terms should not be exceeded by more than 10 or 15 days.

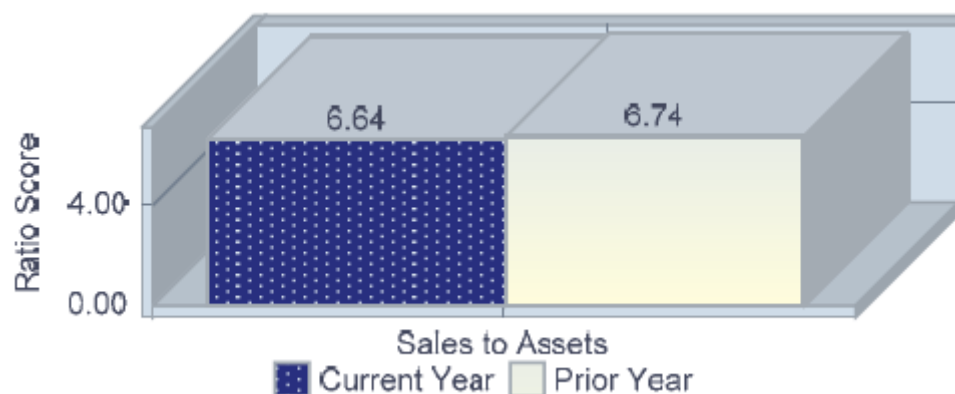


The days sales in receivables for FAS Med. Group Plc. are 6.08 days that indicates the company is effective in collecting outstanding receivables.

### ***Sales to Assets***

Sales / Total Assets

This ratio measures a company's ability to produce sales in relation to total assets to determine the effectiveness of the company's asset base in producing sales. A higher number is preferred, indicating that a company is using its assets to successfully generate sales. This ratio does not take into account the depreciation methods employed by each company and should not be the only measure of effectiveness of a company in this area.

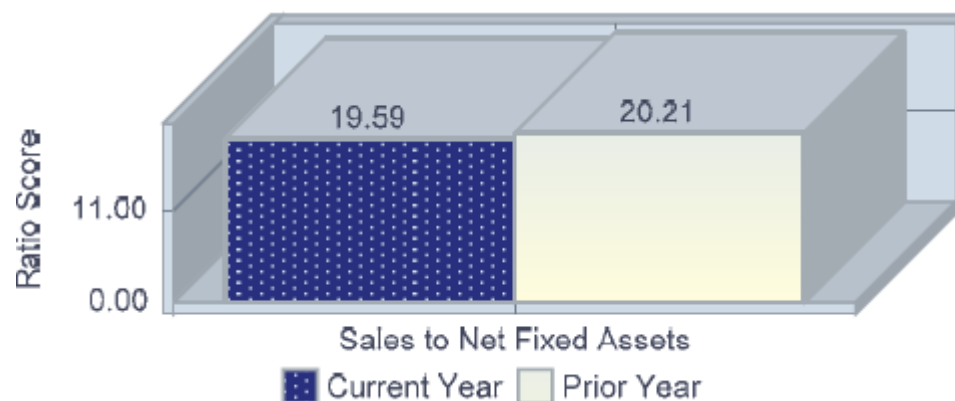


Sales to assets for FAS Med. Group Plc. is 6.64, which compared to the baseline of 6.74 indicates the company's performance in this area is lacking and management should consider taking measures to improve this ratio.

### ***Sales to Net Fixed Assets***

Sales / (Property and Equipment - Accumulated Depreciation)

This ratio measures a company's ability to effectively utilize its fixed assets to generate sales. This ratio is similar to the sales to assets ratio, but it excludes current assets, long-term investments, intangible assets, and other non-current assets. A higher number is desired, indicating that a company productively uses its fixed assets to produce sales. This ratio does not take into account the depreciation methods employed by each company and should not be the only measure of effectiveness of a company in this area. In addition, fixed assets that are almost fully depreciated and labor-intensive operations may interfere with the interpretation of this ratio.

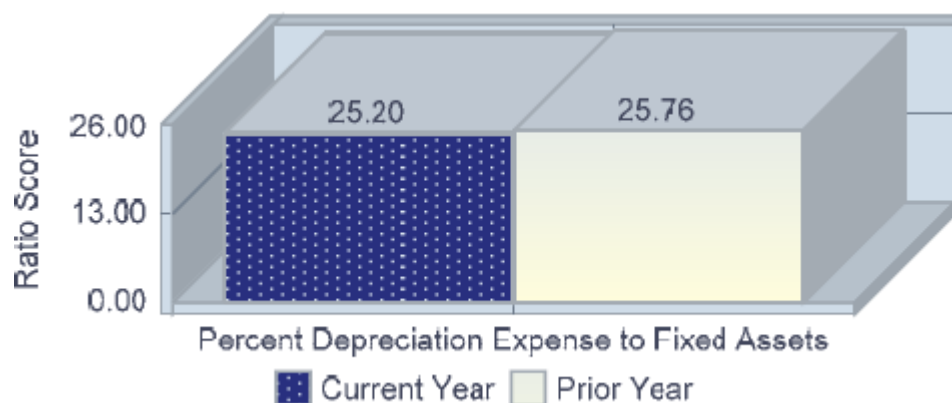


Sales to net fixed assets for FAS Med. Group Plc. is 19.59, which compared to the baseline of 20.21 indicates the company is not making use of its fixed assets to effectively generate sales.

***Percent Depreciation Expense to Fixed Assets***

Depreciation Expense / Property and Equipment × 100

This ratio measures the reasonableness and consistency of a company's depreciation expense over time.

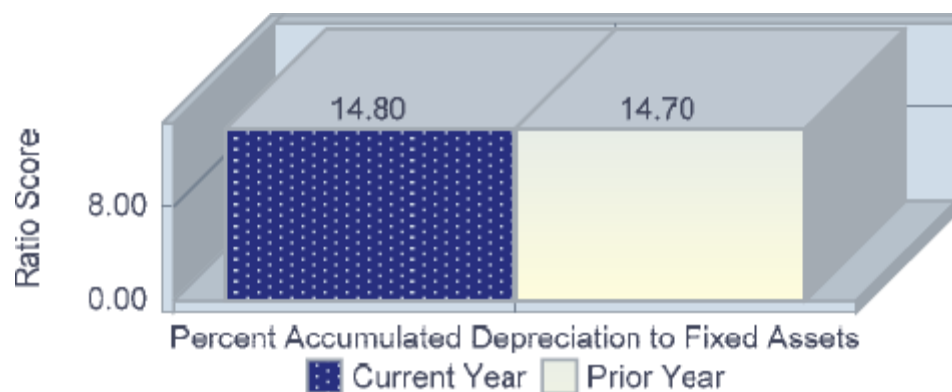


The percent depreciation expense to fixed assets for FAS Med. Group Plc. 25.20%, which compared to the baseline of 25.76%, indicates the value of this ratio is meeting the company's expectations.

***Percent Accumulated Depreciation to Fixed Assets***

Accumulated Depreciation / Property and Equipment × 100

This ratio measures the cumulative percentage of productive asset costs a company has allocated to operations.

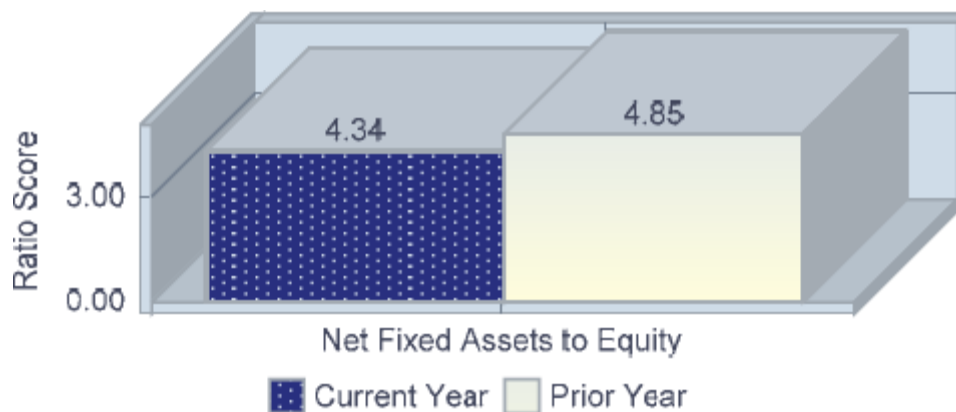


The percent accumulated depreciation to fixed assets for FAS Med. Group Plc. is 14.80%, which compared to the baseline of 14.70% indicates this ratio may not be on target with company objectives.

***Net Fixed Assets to Equity***

(Property and Equipment - Accumulated Depreciation) / Total Equity

This ratio measures the extent to which investors' capital was used to finance productive assets. A lower ratio indicates a proportionally smaller investment in fixed assets in relation to net worth, which is desired by creditors in case of liquidation. Note that this ratio could appear deceptively low if a significant number of a company's fixed assets are leased.

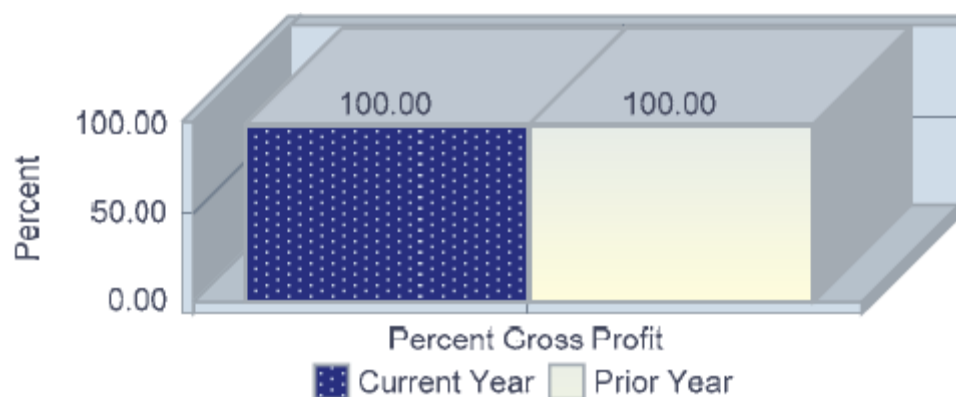


Net fixed assets to equity for FAS Med. Group Plc. is 4.34, which compared to the baseline of 4.85 indicates the company's performance is adequate in this area.

### ***Percent Gross Profit***

$$(\text{Sales} - \text{Cost of Sales}) / \text{Sales} \times 100$$

This ratio measures the gross profit earned on sales and reports how much of each sales dollar is available to cover operating expenses and contribute to profits.

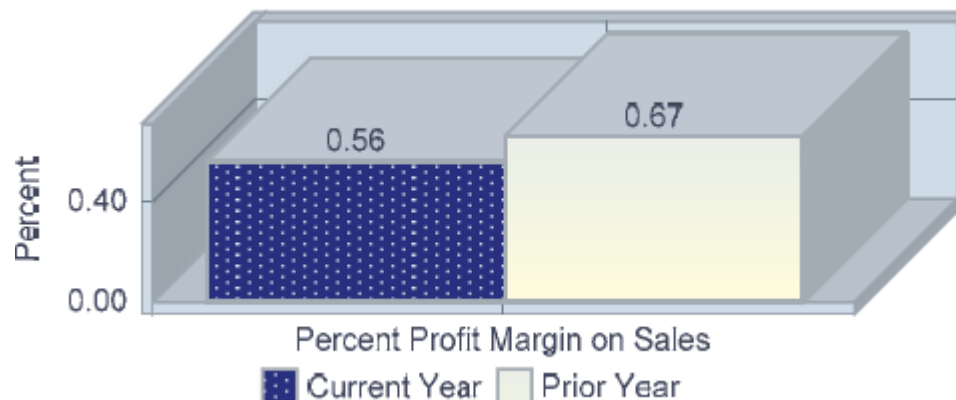


The percent gross profit for FAS Med. Group Plc. is 100.00%, which compared to the baseline of 100.00%, is a good indication of financial health for the company.

### ***Percent Profit Margin on Sales***

$$\text{Earnings before Taxes} / \text{Sales} \times 100$$

This ratio measures how much profit a company makes on each sales dollar received and how well a company could potentially deal with higher costs or lower sales in the future.

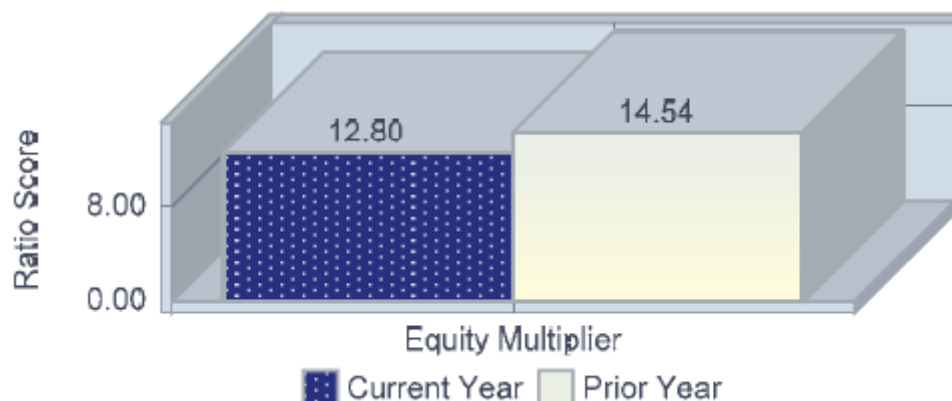


The percent profit margin on sales for FAS Med. Group Plc. is 0.56%, which compared to the baseline of 0.67% indicates sales may not be contributing enough to the company's bottom line.

***Equity Multiplier***

Total Assets / Total Equity

This ratio measures the extent to which a company uses debt to finance its assets. The higher the number is, the more a company is relying on debt to finance its assets.

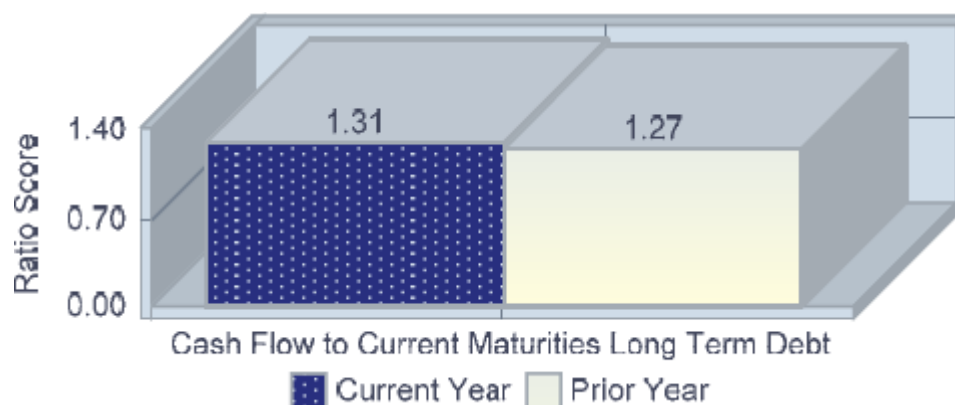


The equity multiplier for FAS Med. Group Plc. is 12.80, which compared to the baseline of 14.54 indicates a reasonable portion of the company's assets are owned versus financed.

***Cash Flow to Current Maturities Long Term Debt***

(Net Income + Depreciation Expense) / Current Portion of Long Term Debt

This ratio measures how well cash flow from operations covers current maturities. Since cash flow is necessary for debt retirement, this ratio reveals a company's capability to repay existing debt and to take on additional debt. A higher number for this ratio is desired.

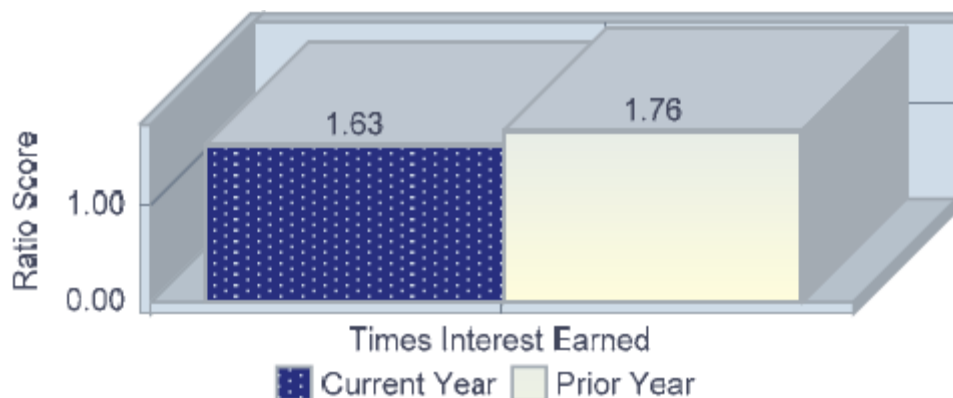


The cash flow to current maturities long-term debt ratio for FAS Med. Group Plc. is 1.31, which compared to the baseline of 1.27 indicates the company is in a strong position to meet its current obligations on long-term debt based on its current cash flow.

***Times Interest Earned***

Earnings before Interest and Taxes / Interest Expense

This ratio measures a company's ability to meet interest payments. A higher number is preferred, suggesting a company can easily meet interest obligations and can potentially take on additional debt. This particular ratio uses earnings before interest and taxes because this is the income amount available to cover interest.



The times interest earned ratio for FAS Med. Group Plc. is 1.63, which compared to the baseline of 1.76 indicates the company's interest coverage may not be sufficient.

***Recommendation to improve the coverage ratio to FAS Med. Group Plc.***

The following list includes several suggestions FAS Med. Group Plc. should consider to improve the coverage ratios:

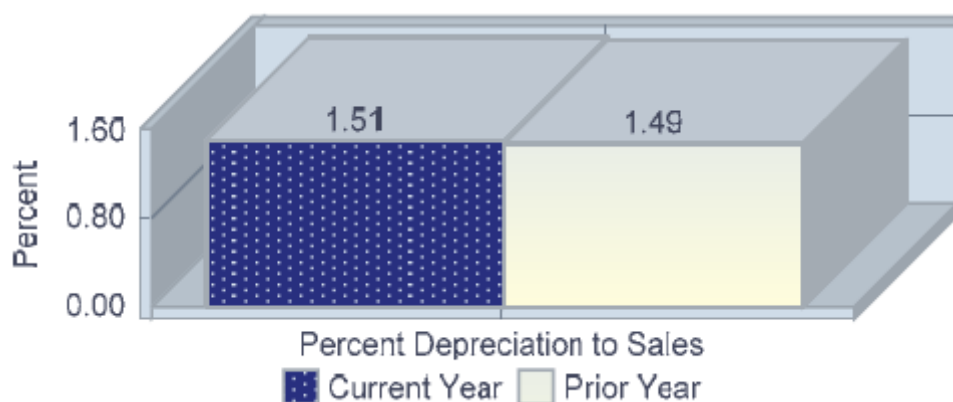
- ❖ Examine the company's debt to uncover areas needing improvement and create a long range action plan to address these areas and pay down debt.
- ❖ Increase equity by increasing earnings.
- ❖ Minimize the overall amount of debt to decrease interest expenses.
- ❖ Reduce interest payments by evaluating financing alternatives and possibly refinancing existing debt.
- ❖ Percent Depreciation to Sales

***Percent Depreciation to Sales***

$$\text{Depreciation Expense} / \text{Sales} \times 100$$

Expense to sales ratios express specific expense items as a percentage of net sales. Comparisons of expenses are more meaningful because net sales are used as a constant. Extreme variations in these ratios are most pronounced between capital- and labor-intensive industries.

This ratio measures depreciation expense as a percentage of sales and is based on a company's fixed assets and how quickly they are being depreciated or amortized, relative to sales. Any depletion expenses should be included in this ratio as well. The depreciation methods should also be considered when evaluating this ratio.

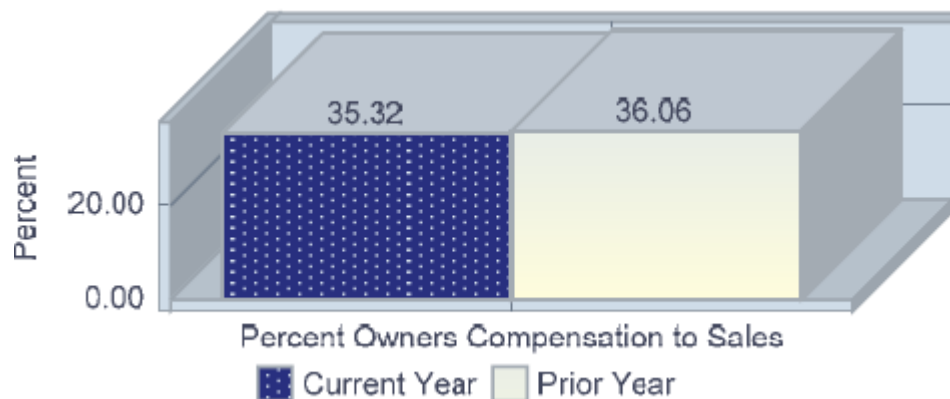


The percent depreciation to sales for FAS Med. Group Plc. is 1.51%, which compared to the baseline of 1.49% indicates the company should consider taking measures to improve this ratio.

### *Percent Owners Compensation to Sales*

Owners Compensation / Sales  $\times$  100

This ratio measures owners' compensation (which includes salaries, bonuses, commissions, drawings of partners, etc.) as a percentage of sales. The desired percentage may vary between companies depending on their individual goals.



The percent owners' compensation to sales for FAS Med. Group Plc. is 35.32%, which compared to the baseline of 36.06% indicates the company is performing as desired in this area.



**FAS MED. Group Plc.**  
**Balance Sheet: Industry Comparison**  
**Amounts in Million Dollars (\$)**

Particulars	2011	%Assets	Industry	Variance
<b>Assets</b>				
Cash & Equivalent	336,818	27.7%	27.7%	0.0%
Trade Accounts Receivable	134,569	11.1%	13.0%	-1.9%
Inventory	12,985	1.1%	1.5%	-0.4%
Other Current Assets	98,325	8.1%	3.5%	4.6%
<b>Total Current Assets</b>	<b>582,695</b>	<b>48%</b>	<b>45.7%</b>	<b>2.3%</b>
Long-term Investment	81,197	6.7%	NA	6.7%
Net-fixed Assets	412,458	33.9%	40.8%	-6.9%
Intangible Assets	61,874	5.1%	2.9%	2.2%
Other Non-current Assets	78,390	6.4%	10.6%	-4.2%
<b>Total Assets</b>	<b>1,216,614</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>
<b>Liabilities</b>				
Accounts Payable	42,787	3.5%	3.4%	0.1%
Notes Payable	88,247	7.3%	14.4%	-7.1%
Accrued Liabilities	532,506	43.8%	NA	43.8%
Income Taxes Payable	10,014	0.8%	0.2%	0.6%
Current Portion of Long-term Debt	111,238	9.1%	8.6%	0.5%
Other Current Liabilities	0	0.0%	31.9%	-31.9%
<b>Total Current Liabilities</b>	<b>784,792</b>	<b>64.5%</b>	<b>58.3%</b>	<b>6.2%</b>
Long-term Debt	281,809	23.2%	29.6%	-6.4%
Deferred Income Taxes	0	0.0%	0.3%	-0.3%
Other Long-term Liabilities	55,000	4.5%	4.1%	0.4%
<b>Total Long-term Liabilities</b>	<b>336,809</b>	<b>27.7%</b>	<b>34.0%</b>	<b>-6.3%</b>
<b>Total Liabilities</b>	<b>1,121,601</b>	<b>92.2%</b>	<b>92.3%</b>	<b>-0.21%</b>
Retained Earnings	95,013	7.8%	NA	7.8%
Total Equity	95,013	7.8%	7.6%	0.2%
<b>Total Liabilities &amp; Equity</b>	<b>1,216,614</b>	<b>100.0%</b>	<b>99.9%</b>	<b>0.1%</b>

**FAS MED. Group Plc.**  
**Statement of Income: Industry Comparison**  
**Amounts in Million Dollars (\$)**

<b>Particulars</b>	<b>2012</b>	<b>%Sales</b>	<b>Industry</b>	<b>Variance</b>
Sales	8,079,445	100.0%	100.0%	0.0%
Cost of Sales	0	0.0%	NA	0.0%
<b>Gross Profit</b>	<b>8,079,445</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>
Operating Expenses	7,945,326	98.3%	91.2%	7.1%
<b>Operating Profit</b>	<b>134,119</b>	<b>1.7%</b>	<b>8.8%</b>	<b>-7.1%</b>
Other Expenses	16,360	0.0%	0.8%	-0.6%
<b>Earnings Before Taxes</b>	<b>45,458</b>	<b>0.6%</b>	<b>7.9%</b>	<b>-7.3%</b>

**FAS MED. Group Plc.**  
**Ratio Analysis: Industry Comparison**

Particulars	FAS Med. Group Plc.	Industry	%Variance
<b>Liquidity Ratios</b>			
Current Ratio	0.7	0.9	-22%
Quick Ratio	0.6	0.8	-25.0%
Sales to Working Capital	-40.0	-253.1	-84.2%
<b>Activity Ratios</b>			
Accounts Receivables Turnover	60.0	999.9	-94.0
Days Sales in Receivables	6.1	0.0	0.0%
Inventory Turnover	0.0	0.0	0.0%
Days Cost of Sales in Inventory	0.0	0.0	0.0%
Accounts Payable Turnover	0.0	0.0	0.0%
Days Cost of Sales in Payables	0.0	0.0	0.0%
Sales to Assets	6.6	8.5	-22.40.0%
Sales to Net Fixed Assets	19.6	25.1	-21.90.0%
Net Fixed Assets to Equity	4.3	3.9	10.30.0%
<b>Profitability Ratios</b>			
Percent Rate of Return on Assets	3.7	11.1	-66.7%
Percent Rate of Return on Equity	47.8	48.2	-0.8%
<b>Coverage Ratios</b>			
Debt to Equity	11.8	10.4	13.5%
Cash Flow to Current Maturities Lon- term Debt	1.3	1.4	-7.1%
Times Interest Earned	1.6	4.6	-65.2%
<b>Expenses to Sales Ratios</b>			
Percent Depreciation to Sales	1.5	1.7	-11.8%
Percent Owner's Compensation to Sales	35.3	30.4	16.1%

**FAS MED. Group Plc.**  
**Balance Sheet: Group Comparison**  
**Amounts in Million Dollars (\$)**

Particulars	2012	%Assets	Peer Group	Variance
<b>Assets</b>				
Cash & Equivalents	336,818	27.7%	27.4%	0.3%
Trade Accounts Receivable	134,569	11.1%	11.4%	-0.3%
Inventory	12,985	1.1%	1.1%	0.0%
Other Current Assets	98,323	8.1%	8.0%	0.1%
<b>Total Current Assets</b>	<b>582,695</b>	<b>47.9%</b>	<b>47.9%</b>	<b>0.0%</b>
Long-term Investments	81,197	6.7%	6.9%	-0.2%
Net Fixed Assets	412,458	33.9%	33.9%	0.0%
Intangible Assets	61,874	5.1%	4.9%	0.2%
Other Non-current Assets	78,390	6.4%	6.4%	0.0%
<b>Total Assets</b>	<b>1,216,614</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>
<b>Liabilities</b>				
Accounts Payable	42,787	3.5%	3.5%	0.0%
Notes Payable	88,247	7.3%	7.1%	0.2%
Accrued Liabilities	532,506	43.8%	43.8%	0.0%
Income Taxes Payable	10,014	0.8%	0.8%	0.0%
Current Portion of Long-term Debt	111,238	9.1%	9.2%	-0.1%
<b>Total Current Liabilities</b>	<b>784,792</b>	<b>64.5%</b>	<b>64.5%</b>	<b>0.0%</b>
Long-term Debt	281,809	23.2%	23.0%	0.2%
Other Long-term Liabilities	55,000	4.5%	4.5%	0.0%
<b>Total Long-term Liabilities</b>	<b>336,809</b>	<b>27.7%</b>	<b>27.5%</b>	<b>0.2%</b>
<b>Total Liabilities</b>	<b>1,211,601</b>	<b>92.2%</b>	<b>92.0%</b>	<b>0.2%</b>
Retained Earnings	95,013	7.8%	8.0%	-0.2%
<b>Total Equity</b>	<b>95,013</b>	<b>7.8%</b>	<b>8.0%</b>	<b>-0.2%</b>
<b>Total Liabilities &amp; Equity</b>	<b>1,216,614</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

**FAS MED. Group Plc.**  
**Statement of Income: Group Comparison**  
**Amounts in Million Dollars (\$)**

Particulars	2012	%Sales	Peer Group	Variance
Sales	8,079,445	100.0%	100.0%	0.0%
Cost of Sales	0	0.0%	0.0%	0.0%
Gross Profit	8,079,445	100.0%	100.0%	0.0%
Operating Expenses	7,945,326	98.3%	98.4%	-0.1%
Operating Profit	134,119	1.7%	1.6%	0.1%
Other Income	0	0.0%	0.0%	0.0%
Other Expenses	16,360	0.2%	0.2%	0.0%
Earnings Before Interest & Taxes	117,759	1.5%	1.4%	0.1%
Interest Expenses	72,301	0.9%	0.9%	0.0%
Earnings Before Taxes	45,458	0.6%	0.5%	0.1%
Provision for Income Taxes	21,877	0.3%	0.3%	0.0%
Net Income	23,581	0.3%	0.2%	0.1%

Additional Information				
Owner's Compensation	\$2,853,654	35.3%	35.3%	0.0%
Depreciation Expenses	\$122,001	1.5%	1.5%	0.0%
Selling Expenses	\$0	0.0%	0.0%	0.0%

**FAS MED. Group Plc.**  
**Ratio Analysis: Group Comparison**

Ratios	FAS Med. Group Plc.	Per Group	%Variance
<b>Liquidity Ratios</b>			
Current Ratio	0.7	0.7	0.0%
Quick Ratio	0.6	0.6	0.0%
Defensive Interval Days	22.3	22.8	-2.2%
Accounts Receivable to Working Capital	-0.7	-0.7	0.0%
Inventory to Working Capital	-0.1	-0.1	0.0%
Long-term Liabilities to Working Capital	-1.7	-1.7	0.0%
Sales to Working Capital	-40.0	-39.2	2.0
<b>Activity Ratios</b>			
Account Receivable Turnover	60.0	57.2	4.9%
Days Sales in Receivables	6.1	6.4	-4.7%
Inventory Turnover	0.0	0.0	0.0%
Days Cost of Sales in Inventory	0.0	0.0	0.0%
Accounts Payable Turnover	0.0	0.0	0.0%
Days Cost of Sales in Payable	0.0	0.0	0.0%
Operating Cycle Days	6.1	6.4	-4.7%
Sales to Assets	6.6	6.5	1.5%
Sales to Net Fixed Assets	19.6	19.1	2.6%
Percent Depreciation Expenses to Fixed Assets	25.2	24.6	2.4%
Percent Accumulated Depreciation to Fixed Assets	14.8	14.8	0.0%
Net Fixed Assets to Equity	4.3	4.3	0.0%
<b>Profitability Ratios</b>			
Percent Gross Profit	100.0	100.0	0.0%
Percent Profit Margin on Sales	0.6	0.5	20.0%
Percent Rate of Return on Assets	3.7	3.3	12.1%
Percent Rate of Return on Equity	47.8	40.9	16.9%
Price Earnings Ratio	0.0	0.0	0.0%
Earnings Per Share	0.0	0.0	0.0%
<b>Coverage Ratios</b>			
Debt to Total Assets	0.9	0.9	0.0%
Percent Owners' Equity	7.8	8.0	-2.5%
Equity Multiplier	12.8	12.6	1.6%
Debt to Equity	11.8	11.6	1.7%
Cash Flow to Current Maturities Long-Term Debt	1.3	1.2	8.3%
Times Interest Earned	1.6	1.6	0.0%
Book Value Per Share	0.0	0.0	0.0%
<b>Expenses to Sales Ratios</b>			
Percent Depreciation to Sales	1.5	1.5	0.0%
Percent Owner's Compensation to Sales	35.3	35.3	0.0%

**FAS MED. Group Plc.**  
**Balance-Sheet: Five-Year Trend Analysis**

Particulars	2012	2011	2010	2009	2008
<b>Assets</b>					
Cash & Equivalents	\$336,818	\$319,978	\$313,578	\$310,378	\$303,978
Trade Accounts Receivable	\$134,569	\$127,841	\$125,284	\$124,005	\$121,449
Inventory	\$12,985	\$13,657	\$13,384	\$13,247	\$12,974
Other Current Assets	\$98,323	\$94,325	\$92,439	\$91,495	\$89,609
<b>Total Current Assets</b>	<b>\$582,695</b>	<b>\$555,801</b>	<b>\$544,685</b>	<b>\$539,125</b>	<b>\$528,010</b>
Long-Term Investments	\$81,197	\$77,137	\$75,594	\$74,823	\$73,280
Net Fixed Assets	\$412,458	\$383,750	\$366,088	\$373,140	\$379,580
Intangible Assets	\$61,874	\$58,780	\$57,605	\$57,017	\$55,841
Other Non-Current Assets	\$78,390	\$74,471	\$72,981	\$72,236	\$70,747
<b>Total Assets</b>	<b>\$1,216,614</b>	<b>\$1,149,939</b>	<b>\$1,116,953</b>	<b>\$1,116,341</b>	<b>\$1,107,458</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable	\$42,787	\$32,658	\$36,777	\$37,730	\$39,383
Notes Payable	\$88,247	\$83,835	\$88,142	\$85,498	\$81,223
Accrued Liabilities	\$532,506	\$530,190	\$484,929	\$470,382	\$446,861
Income Taxes Payable	\$10,014	\$9,115	\$8,905	\$8,638	\$8,206
Current Portion of Long-Term Debt	\$111,238	\$115,676	\$117,995	\$120,687	\$124,596
<b>Total Current Liabilities</b>	<b>\$784,792</b>	<b>\$771,474</b>	<b>\$736,748</b>	<b>\$722,935</b>	<b>\$700,269</b>
Long-term Debt	\$281,809	\$263,352	\$266,740	\$270,240	\$275,560
Other Long-term Liabilities	\$55,000	\$36,000	\$37,000	\$38,000	\$39,000
Total Long-term Liabilities	\$336,809	\$299,352	\$303,740	\$308,240	\$314,560
<b>Total Liabilities</b>	<b>\$1,121,601</b>	<b>\$1,070,826</b>	<b>\$1,040,488</b>	<b>\$1,031,175</b>	<b>\$1,014,829</b>
Total Equity – Retained Earnings	\$95,013	\$79,113	\$76,465	\$85,166	\$92,629
<b>Total Liabilities &amp; Equity</b>	<b>\$1,216,614</b>	<b>\$1,149,939</b>	<b>\$1,116,953</b>	<b>\$1,116,341</b>	<b>\$1,107,458</b>

**FAS MED. Group Plc.**  
**Statement of Income: Five-Year Trend Analysis**

Particulars	2012	2011	2010	2009	2008
Sales	\$8,079,445	\$7,756,268	\$7,601,142	\$7,523,579	\$7,445,102
Cost of Sales	\$0	\$0	\$0	\$0	\$0
<b>Gross Profit</b>	<b>\$8,079,445</b>	<b>\$7,756,268</b>	<b>\$7,601,142</b>	<b>\$7,523,579</b>	<b>\$7,445,102</b>
Operating Expenses	\$7,945,326	\$7,620,193	\$7,453,119	\$7,369,162	\$7,295,736
<b>Operating Profit</b>	<b>\$134,119</b>	<b>\$136,075</b>	<b>\$148,023</b>	<b>\$154,417</b>	<b>\$149,366</b>
Other Income	\$0	\$0	\$0	\$0	\$0
Other Expenses	\$16,360	\$15,542	\$15,231	\$15,076	\$14,749
<b>Earnings before Interest &amp; Taxes</b>	<b>\$117,759</b>	<b>\$120,533</b>	<b>\$132,792</b>	<b>\$139,341</b>	<b>\$134,617</b>
Interest Expenses	\$72,301	\$68,439	\$67,071	\$66,386	\$64,949
<b>Earnings before Taxes</b>	<b>\$45,458</b>	<b>\$52,094</b>	<b>\$65,721</b>	<b>\$72,955</b>	<b>\$69,668</b>
Provision for Income Taxes	\$21,877	\$21,070	\$20,649	\$20,438	\$19,995
<b>Net Income</b>	<b>\$23,581</b>	<b>\$31,024</b>	<b>\$45,072</b>	<b>\$52,517</b>	<b>\$49,673</b>

Additional Information					
Owners Compensation	\$2,853,654	\$2,796,581	\$2,810,564	\$2,768,615	\$2,712,683
Depreciation Expense	\$122,001	\$115,901	\$113,583	\$112,424	\$115,437
Selling Expenses	\$0	\$0	\$0	\$0	\$0



**FAS MED. Group Plc.**  
**Ratio Analysis: Five-Year Trend Analysis**

Particulars	2012	2011	2010	2009	2008
<b>Liquidity Ratios</b>					
Current Ratio	0.7	0.7	0.7	0.7	0.8
Quick Ratio	0.6	0.6	0.6	0.6	0.6
Defensive Interval Days	22.3	22.1	22.1	22.2	21.9
Accounts Receivable to Working Capital	-0.7	-0.6	-0.7	-0.7	-0.7
Inventory to Working Capital	-0.1	-0.1	-0.1	-0.1	-0.1
Long-Term Liabilities to Working Capital	-1.7	-1.4	-1.6	-1.7	-1.8
Sales to Working Capital	-40.0	-36.0	-39.6	-40.9	-43.2
<b>Activity Ratios</b>					
Accounts Receivable Turnover	60.0	60.7	60.7	60.7	61.3
Days Sales in Receivables	6.1	6.0	6.0	6.0	6.0
Inventory Turnover	0.0	0.0	0.0	0.0	0.0
Days Cost of Sales in Inventory	0.0	0.0	0.0	0.0	0.0
Accounts Payable Turnover	0.0	0.0	0.0	0.0	0.0
Days Cost of Sales in Payables	0.0	0.0	0.0	0.0	0.0
Operating Cycle Days	6.1	6.0	6.0	6.0	6.0
Sales to Assets	6.6	6.7	6.8	6.7	6.7
Sales to Net Fixed Assets	19.6	20.2	20.8	20.2	19.6
Percent Depreciation Expense to Fixed Assets	25.2	25.8	26.5	26.3	27.1
Percent Accumulated Depreciation to Fixed Assets	14.8	14.7	14.7	12.9	11.0
Net Fixed Assets to Equity	4.3	4.9	4.8	4.4	4.1
<b>Profitability Ratios</b>					
Percent Gross Profit	100.0	100.0	100.0	100.0	100.0
Percent Profit Margin on Sales	0.6	0.7	0.9	1.0	0.9
Percent Rate of Return on Assets	3.7	4.5	5.9	6.5	6.3
Percent Rate of Return on Equity	47.8	65.8	85.9	85.7	75.2
Price Earnings Ratio	0.0	0.0	0.0	0.0	0.0
Earnings Per Share	0.0	0.0	0.0	0.0	0.0
<b>Coverage Ratios</b>					
Debt to Total Assets	0.9	0.9	0.9	0.9	0.9
Percent Owners' Equity	7.8	6.9	6.8	7.6	8.4
Equity Multiplier	12.8	14.5	14.6	13.1	12.0
Debt to Equity	11.8	13.5	13.6	12.1	11.0
Cash Flow to Current Maturities Long Term Debt	1.3	1.3	1.3	1.4	1.3
Times Interest Earned	1.6	1.8	2.0	2.1	2.1
Book Value Per Share	0.0	0.0	0.0	0.0	0.0
<b>Expense to Sales Ratios</b>					
Percent Depreciation to Sales	1.5	1.5	1.5	1.5	1.6
Percent Owners' Compensation to Sales	35.3	36.1	37.0	36.8	36.4

### Ratio Formulas

Ratios	Formula
<b>Liquidity Ratios</b>	
Current Ratio	Current Assets / Current Liabilities
Quick Ratio	(Cash + Marketable Securities + Trade Accounts Receivable) / Current Liabilities
Defensive Interval Days	(Cash + Marketable Securities + Trade Accounts Receivable) / ((Operating Expenses - Other Expenses - Interest Expense - Provision for Income Taxes - Depreciation Expense) / Days)
Accounts Receivable to Working Capital	Trade Accounts Receivable / (Current Assets - Current Liabilities)
Inventory to Working Capital	Inventory / (Current Assets - Current Liabilities)
Long-Term Liabilities to Working Capital	Long Term Liabilities / (Current Assets - Current Liabilities)
Sales to Working Capital	Sales / (Current Assets - Current Liabilities)
<b>Activity Ratios</b>	
Accounts Receivable Turnover	Sales / Trade Accounts Receivable
Days Sales in Receivables	Trade Accounts Receivable / (Sales / Days)
Inventory Turnover	Cost of Sales / Inventory
Days Cost of Sales in Inventory	Inventory / (Cost of Sales / Days)
Accounts Payable Turnover	Cost of Sales / Trade Accounts Payable
Days Cost of Sales in Payables	Trade Accounts Payable / (Cost of Sales / Days)
Operating Cycle Days	(Inventory / (Cost of Sales / Days)) + (Trade Accounts Receivable / (Sales / Days))
Sales to Assets	Sales / Total Assets
Sales to Net Fixed Assets	Sales / (Property and Equipment - Accumulated Depreciation)
Percent Depreciation Expense to Fixed Assets	Depreciation Expense / Property and Equipment × 100
Percent Accumulated Depreciation to Fixed Assets	Accumulated Depreciation / Property and Equipment × 100
Net Fixed Assets to Equity	(Property and Equipment - Accumulated Depreciation) / Total Equity
<b>Profitability Ratios</b>	
Percent Gross Profit	((Sales - Cost of Sales) / Sales) × 100
Percent Profit Margin on Sales	Earnings before Taxes / Sales × 100

Percent Rate of Return on Assets	$\text{Earnings before Taxes} / \text{Total Assets} \times 100$
Price Earnings Ratio	$\text{Stock Price} / (\text{Net Income} / \text{Outstanding Shares})$
Earnings Per Share	$\text{Net Income} / \text{Outstanding Shares}$
<b>Coverage Ratios</b>	
Debt to Total Assets	$\text{Total Liabilities} / \text{Total Assets}$
Percent Owners' Equity	$\text{Total Equity} / \text{Total Assets} \times 100$
Equity Multiplier	$\text{Total Assets} / \text{Total Equity}$
Debt to Equity	$\text{Total Liabilities} / \text{Total Equity}$
Cash Flow to Current Maturities Long-Term Debt	$(\text{Net Income} + \text{Depreciation Expense}) / \text{Current Portion of Long Term Debt}$
Times Interest Earned	$\text{Earnings before Interest and Taxes} / \text{Interest Expense}$
Book Value Per Share	$\text{Total Equity} / \text{Outstanding Shares}$
<b>Expenses to Sales Ratios</b>	
Percent Depreciation to Sales	$\text{Depreciation Expense} / \text{Sales} \times 100$
Percent Owners' Compensation to Sales	$\text{Owners Compensation} / \text{Sales} \times 100$

### Definition of Categories – Balance Sheet

- **Cash:** Includes cash and short term investments with an original maturity less than one year, including restricted cash
- **Marketable Securities:** Includes debt and equity financial instruments including trading securities, securities held to maturity, and securities available for sale which are intended to be sold in the short term
- **Trade Accounts Receivable:** Includes total accounts receivable, less allowances
- **Inventory:** Includes total inventory, net of any allowance
- **Prepaid Expenses:** Includes cash paid in advance for services or supplies
- **Current Assets:** Sum of all current assets - those assets that are reasonably expected to be realized in cash or sold or consumed within a year or within the normal operating cycle of the company
- **Long-Term Investments:** Includes investments, not including marketable securities
- **Property and Equipment:** Tangible assets held by a company for use in the production or supply of goods and services, for rental to others, or for administrative purposes that are expected to provide economic benefit for more than one year
- **Accumulated Depreciation:** The cumulative amount of depreciation and amortization that has been recognized in the income statement, generally shown as a deduction from the historical cost of fixed assets
- **Net Property and Equipment:** Property and equipment less accumulated depreciation
- **Intangible Assets:** Assets, excluding financial assets, that lack physical substance, net of accumulated amortization
- **Other Non-Current Assets:** Includes non-current assets not otherwise defined
- **Non-Current Assets:** Sum of all noncurrent assets - those assets that are not reasonably expected to be realized in cash or sold or consumed within a year or within the normal operating cycle of the company
- **Notes Payable:** Includes written promises to pay, the portions of which are due one year or less in the future
- **Trade Accounts Payable:** Recurring obligations of a business that arise from the acquisition of merchandise, materials, supplies and services used in the production and/or sale of goods and services
- **Compensation:** Includes unpaid obligations of regular compensation received by employees as a condition of employment
- **Other Accrued Liabilities:** Includes obligations for expenses that have been incurred, but not yet paid
- **Income Taxes Payable:** Includes unpaid obligation of all income taxes
- **Current Portion of Long-Term Debt:** The sum of all debt which is due within one year or less
- **Other Current Liabilities:** Includes current liabilities not otherwise defined
- **Current Liabilities:** Total obligations incurred as part of normal operations that are expected to be repaid during the following year
- **Long-Term Debt:** Includes notes and obligations that provide for repayment over a term longer than one year
- **Deferred Income Taxes:** Includes the long-term effect on income taxes attributable to taxable temporary differences

- ***Other Long-Term Liabilities:*** Includes long-term liabilities not otherwise defined
- ***Long-Term Liabilities:*** Total obligations incurred as part of normal operations that are expected to be repaid beyond one year or one business cycle
- ***Capital Stock:*** Includes securities representing an ownership interest in a company
- ***Additional Paid-In Capital:*** Includes amounts received at issuance in excess of the par or stated value of capital stock and amounts received from other transactions involving the company's stock or stockholders
- ***Retained Earnings:*** Includes the undistributed earnings of a company
- ***Treasury Stock:*** Includes shares of a company that have been repurchased by a company
- ***Other Equity:*** Includes equity not otherwise defined

### Definition of Categories – Statement of Income

- **Sales:** Includes revenues arising from the sale of goods and/or rendering of services in the normal course of business, reduced by sales adjustments, sales returns and allowances, and sales discounts
- **Cost of Sales:** Includes costs incurred to produce goods for sale and/or to deliver services and may include direct materials, direct labor, overhead and depreciation
- **Gross Profit:** Sales less cost of goods and/or services sold
- **Owners Compensation:** Expenditures for salaries of officers
- **Depreciation Expense:** Includes the amount of expense charged against earnings by a company to write off the cost of property or equipment over its useful life
- **Selling Expenses:** Includes expenses directly related to the selling of products or services
- **Other Operating Expenses:** Includes operating expenses not otherwise defined
- **Operating Expenses:** Generally recurring costs associated with normal operations and currently chargeable against revenue except for the portion of said expenses which can be clearly related to production
- **Operating Profit:** Gross profit less operating expenses
- **Other Income:** Includes revenue from non-operating activity
- **Other Expenses:** Includes expenses from non-operating activity
- **Earnings before Interest and Taxes:** Sum of operating profit and non-operating income and expenses
- **Interest Expense:** Includes interest expense on deposits, long-term debt and all other borrowings
- **Earnings before Taxes:** Sum of operating profit and non-operating income and expenses, including interest expenses
- **Provision for Income Taxes:** Provision for all current and deferred income taxes
- **Net Income:** All income less all expenses