**AEM 2210: Financial Accounting**

**Financial Analysis Project**

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**Company A: ConocoPhillips**  Ticker: COP

**Company B: Pioneer Natural Resources**  Ticker: PXD

**Section 1: Ratio Analysis Company A:** ConocoPhillips

|  |  |  |
| --- | --- | --- |
| 2017: | 2016: | 2015: |
| **Current Ratio:** (Information found on Balance Sheet) | | |
| 16512/9397=1.76 | 8609/6909=1.25 | 8789/9256=0.95 |
| **Cash Conversion Cycle:** (Information found on Income Statement and Balance Sheet) | | |
| 15.48+48.49-57.25=6.73 days | 15.81+61.05-63.38=13.48 days | 15.69+69.87-89.21=-3.65 days |
| **Net Profit Margin:** (Information found on Income Statement) | | |
| 4052/25054=16.17% | -1747/25440=-6.87% | 56/29508=0.19% |
| **Total Asset Turnover:** (Information found on Income Statement and Balance Sheet) | | |
| 29106/((73362+89772)/2)=0.36 | 23693/((89772+97484)/2)=0.25 | 29564/((97484+116539)/2)=0.28 |
| **Return on Assets:** (Information found on Income Statement and Balance Sheet) | | |
| -855/((73362+89772)/2)=-1.05% | -3615/((89772+97484)/2)=-3.86% | -4428/((97484+116539)/2)=-4.14% |
| **Times Interest Earned:** (Information found on Income Statement) | | |
| (-855+1098-1822)/1098=-1.44 | (-3615+1245-1971)/1245=-3.49 | (-4428+920-2868)/920=-6.93 |
| **Debt to Equity:** (Information found on Balance Sheet) | | |
| 42561/30801=1.38 | 54546/35226=1.55 | 57402/40082=1.43 |
| **Accounts Payable Turnover:** (Information found on Income Statement and Balance Sheet) | | |
| 12475/((4009+3631)/2)=3.27 | 9994/((3631+4895)/2)=2.34 | 12426/((4895+7982)/2)=1.93 |
| **Quality of Income Ratio:** (Information found on Income Statement and Statement of Cash Flows) | | |
| 7077/-855=-8.28 | 4403/-3615=-1.22 | 7572/-4428=-1.71 |
| **Receivables Turnover:** (Information found on Income Statement and Balance Sheet) | | |
| 29106/((4179+141+3249+165)/2)=7.53 | 23693/((3249+165+4312+200)/2)=5.98 | 29564/((4312+200+6675+132)/2)=5.22 |

**Section 1: Ratio Analysis Company B:** Pioneer Natural Resources

|  |  |  |
| --- | --- | --- |
| 2017: | 2016: | 2015: |
| **Current Ratio:** (Information found on Balance Sheet) | | |
| 3010/2128=1.41 | 3298/1566=2.11 | 3194/1462=2.18 |
| **Cash Conversion Cycle:** (Information found on Income Statement and Balance Sheet) | | |
| 18.88+39.85-103.65=-44.91 | 19.07+48.62-99.76=-32.08 | 23.28+32.81-129.48=-73.39 |
| **Net Profit Margin:** (Information found on Income Statement) | | |
| 833/5294=15.73% | -556/3382=-16.44% | -273/4561=5.99% |
| **Total Asset Turnover:** (Information found on Income Statement and Balance Sheet) | | |
| 5294/((17003+16459)/2)=0.32 | 3382/((16459+15154)/2)=0.21 | 4561/((15154+14909)/2)=0.30 |
| **Return on Assets:** (Information found on Income Statement and Balance Sheet) | | |
| 833/((17003+16459)/2)=4.98% | -556/((16459+15154)/2)=-3.52% | -273/((15154+14909)/2)=-1.82% |
| **Times Interest Earned:** (Information found on Income Statement) | | |
| (833+153+(-524))/153=3.02 | (-556+207+(-403))/207=-3.63 | (-273+187+(-155))/187=-1.29 |
| **Debt to Equity:** (Information found on Balance Sheet) | | |
| 5724/11279=0.51 | 6048/10411=0.58 | 6779/8375=0.81 |
| **Accounts Payable Turnover:** (Information found on Income Statement and Balance Sheet) | | |
| 1807/((1174+108+741+138)/2)=1.67 | 1155/((741+138+798+85)/2)=1.31 | 739/((798+85+1197+123)/2)=0.67 |
| **Quality of Income Ratio:** (Information found on Income Statement and Statement of Cash Flows) | | |
| 2090/833=2.51 | 1499/-556=-2.70 | 1255/-273=-4.60 |
| **Receivables Turnover:** (Information found on Income Statement and Balance Sheet) | | |
| 5294/((639+517)/2)=9.16 | 3382/((517+384)/2)=7.51 | 4561/((384+436)/2)=11.12 |

Using the above ratio matrix, choose 3 ratios to compare Company A vs. Company B:



**Section 2: Stock Performance**

**Company A:**

What is the Return on Stock over the past year?

What is the Return on Stock over the past 3 months?

What is the Return on Stock over the past month?

**Company B:**

What is the Return on Stock over the past year?

What is the Return on Stock over the past 3 months?

What is the Return on Stock over the past month?

**Section 3: Dividends / Stock Splits**

Did Company A issue dividends or stock splits in the 2017 fiscal year?

Did Company B issue dividends or stock splits in the 2017 fiscal year?

**Section 4: Quantitative Details / Footnote Analysis**

Briefly outline two quantitative details found in the footnotes of Form 10-K for each companies

**Company A:**



**Company B:**

Find a footnote description that has changed from 2016 to 2017. Briefly explain the change.

**Company A:**

**Company B:**

**Section 5: Information Outside of 10-K**

**Company A:**

How many disclosures has company A posted on EDGAR in the past 30 days?

How many of the following disclosures has Company A posted on EDGAR in the past 30 days?

* Form 8k:
* Form 10-k:
* Form SC 13G:
* Form 10-Q:
* Form DEF 14A:

Look at the most recent DEF 14A (proxy statement). Who is the CEO and how much did they get paid in 2017?

**Company B**:

How many disclosures has company B posted on EDGAR in the past 30 days?

How many of the following disclosures has Company B posted on EDGAR in the past 30 days?

* Form 8k:
* Form 10-k:
* Form SC 13G:
* Form 10-Q:
* Form DEF 14A:

Look at the most recent form 14A or proxy statement. Who is the CEO and how much did they get paid in 2017?