



## **[Summary]**

### **Financial Analysis**

<b>Subject:</b>	Business Economics
<b>Course:</b>	B. A. (Hons.), 1st Semester, Undergraduate
<b>Paper No. &amp; Title:</b>	Paper – 103 Fundamentals of Business and Accounting
<b>Unit No. &amp; Title:</b>	Unit – 4 Introduction to Corporate Accounts
<b>Lecture No. &amp; Title:</b>	Lecture – 2 Financial Analysis

Financial statements are accounting information which includes statement of profit and loss, Balance Sheet, Cash Flow statement, Statement of Change in equity and Notes to the accounts. Analysis of financial statements can be done by various tools. Financial Analysis helps to assess financial performance and financial position of the firm. Both inter firm as well as intra firm analysis can be made through financial analysis. It also helps to forecast future financial performance. Financial Analysis suffers from drawbacks of financial statements.