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\_\_\_\_\_ Class: \_\_\_\_\_\_ Date: \_\_\_\_\_

# **Horizontal Analysis**

# **Numeric Response**

1. When comparing values on one income statement with another, a percent of change can be found.

# $Percentage\_Change = \frac{Amount\_of\_Change}{Base\_Figure}$

Item		April	May	Amount of	Percentage
				Change	Change
1	Net Sales	\$16,871	\$15,471	\$-1,400	
2	Costs of	9,278	8,814	-464	
	Goods Sold	/			
3	Gross Profit	6,712	6,329	-383	
	on Sales		5		
4	Operating	3,769	3,569	-200	
	Expense		100		
5	Net Income	4,865	4,588	-277	
				Same and the second	

Financial statements for the local Big Bargain Box from the months of April and May are being compared. According to the table above, which line item had a percent change of a decrease of 5.71%?

### Name: \_\_\_

2. When comparing values on one income statement with another, a percent of change can be found.

Item		February	March	Amount of	Percentage
				Change	Change
1	Net Sales	\$17,587	\$18,994	\$1,407	
2	Costs of	9,815	9,226	-589	
	Goods Sold				
3	Gross Profit	6,259	6,635	376	
	on Sales				
4	Operating	3,966	4,200	234	
	Expense				
5	Net Income	4,437	4,748	311	

Parcontaga Change-	Amount_	of_Change
I erceniuge_Chunge –	Base	_Figure

Financial statements for the local Kart King from the months of February and March are being compared. According to the table above, which line item had a percent change of a increase of 8%?

### Name: \_\_\_\_

3. When comparing values on one income statement with another, a percent of change can be found.

Item		January	February	Amount of	Percentage
				Change	Change
1	Net Sales	\$17,536	\$19,044		
2	Costs of	9,401	10,238		
	Goods Sold				
3	Gross Profit	6,102	6,547		
	on Sales				
4	Operating	4,687	4,331		
	Expense				
5	Net Income	4,048	3,817		

 $Percentage\_Change = \frac{Amount\_of\_Change}{Base\_Figure}$ 

Financial statements for the local Kart King from the months of January and February are being compared. According to the table above, which line item had a percent change of a increase of 8.6%?

4. When comparing values on one income statement with another, a percent of change can be found.

Item		June	July	Amount of	Percentage Change
1	Not Solos	¢17 100	\$15,906	Chunge	Chunge
1	Inet Sales	\$17,199	\$13,800		
2	Costs of	9,534	8,838		
	Goods Sold				
3	Gross Profit	6,324	5,964		
	on Sales				
4	Operating	3,658	3,848		
	Expense				
5	Net Income	4,933	5,278		

 $Percentage\_Change = \frac{Amount\_of\_Change}{Base\_Figure}$ 

Financial statements for the local Get'n Grab from the months of June and July are being compared. According to the table above, which line item had a percent change of a decrease of 7.3%?

5. When comparing values on one income statement with another, a percent of change can be found.

 $Percentage\_Change = \frac{Amount\_of\_Change}{Base\_Figure}$ 

Item		May	June	Amount of	Percentage
				Change	Change
1	Cash	\$7,313	\$6,655	\$–658	
2	Inventory	23,701	21,852	-1,849	
3	Supplies	6,544	6,164	-380	
4	Accts.	14,293	15,422	1,129	
	Payable				
5	Accts.	77,443	72,099	-5,344	
	Receivable				

Financial statements for the local Shop-2-Save from the months of May and June are being compared. According to the table above, which line item had a percent change of a increase of 7.9%?

6. When comparing values on one income statement with another, a percent of change can be found.

Item		February	March	Amount of Change	Percentage Change
1	Cash	\$5,653	\$5,172	\$-481	
2	Inventory	19,040	17,764	-1,276	
3	Supplies	6,887	6,494	-393	
4	Accts. Payable	14,880	13,838	-1,042	
5	Accts. Receivable	78,322	83,178	4,856	

 $Percentage\_Change = \frac{Amount\_of\_Change}{Base\_Figure}$ 

Financial statements for the local Evil Empire from the months of February and March are being compared. According to the table above, which line item had a percent change of a decrease of 5.71%?

7. When comparing values on one income statement with another, a percent of change can be found.

 $Percentage\_Change = \frac{Amount\_of\_Change}{Base\_Figure}$ 

Item		March	- April	Amount of	Percentage
				Change	Change
1	Cash	\$5,348	\$5,664		
2	Inventory	23,713	25,231		
3	Supplies	6,889	6,338		
4	Accts.	13,934	14,868		
	Payable				
5	Accts.	76,058	71,875		
	Receivable				

Financial statements for the local Shop-2-Save from the months of March and April are being compared. According to the table above, which line item had a percent change of a increase of 5.91%?

### Name: \_

8. When comparing values on one income statement with another, a percent of change can be found.

Item		May	June	Amount of	Percentage
				Change	Change
1	Cash	\$6,298	\$5,819		
2	Inventory	20,786	18,957		
3	Supplies	6,941	7,427		
4	Accts.	14,340	13,480		
	Payable				
5	Accts.	79,401	84,086		
	Receivable				

 $Percentage\_Change = \frac{Amount\_of\_Change}{Base\_Figure}$ 

Financial statements for the local Shop-2-Save from the months of May and June are being compared. According to the table above, which line item had a percent change of a decrease of 8.8%?

# Horizontal Analysis Answer Section

## NUMERIC RESPONSE

1.	ANS:	3	
	PTS:	1	
2.	ANS:	1	
	PTS:	1	
3.	ANS:	1	
	PTS:	1	
4.	ANS:	2	
	PTS:	1	
5.	ANS:	4	
	PTS:	1	
6.	ANS:	3	
	PTS:	1	
7.	ANS:	1	
	PTS:	1	
8.	ANS:	2	
	PTS:	1	
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