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# **First Investments, Inc.: Analysis of Financial Statements**

# Introduction

The case of First Investments, Inc. mainly aims to examine a multi-step process in the evaluation of the firm's financial statements. This analysis is very useful, especially to investors, managers, and financial analyst so that they make the right decision. The business analysis of the case opens the interfaces to the company's financial performance, including operational returns, profitability, liquidity, and solvency.

# Financial Statement Overview

It consists of three major financial statements namely the balance sheet, the income statement and the cash flow statement as is shown on the following extracted balance sheet of First Investment Inc. These documents are very useful when it comes to ascertaining the financial situation of a company at a certain time and within a given period.

# Performance Analysis

The process of the performance analysis of First Investments, Inc. consists in evaluating the specifics regarding the income statement and activity of the company during two or more periods. In this way, the trend analysis lets define the growth trends, effectiveness of the cost control, and profitability of the activity. Also, achieving the key financial ratios of the company and its industry comparison enable an assessment of the relative performance with recommendations for improvement.

# Conclusion

The analysis of First Investments, Inc.'s financial statements reveals the possible health status of the company in support of which this case has been initiated. Therefore, in light of some of the important financial ratios of the company and its performance trends, decisions are made accordingly, which ultimately leads to the improvement of the company's stability. For the complete solution of this case, please click on the website of [The Case Solutions. com](http://The Case Solutions. com).

# Recommendation

This is just a sample partial case solution. Please place the order on the website to order your own originally done case solution.

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