Finance:

To assess the success of strategy used through profit. Reflect any decision into numbers.
- First step to identify the company target (ROI, Profit, Market Share)
- See step what is the strategy used to achieve it (assess the environment & the market)
- Third step analyze the major profit segments (see revenue & sales are high in which segment)
- Make sure that the strategy used resulted in positive impact which is clear in my numbers

Best utilization of assets is to generate sales & profit.

Investment in

\[ \text{Assets (I expect)} \] \quad \text{inc. Sales} \quad \text{ROI} \]

\[ \text{Debt or Equity} \]
\[ \text{(two sources of assets)} \]

Need to see if the ROI is acceptable or not. (the results can show wrong investment decision or financed by wrong method)

Objective of any company:
1. Maximize wealth of shareholder.
2. Increase market price of stock.
3. Best utilization of assets (expansion, growth, acquisition, dividends)
   - Assess the financial situation of my company (through ratios)
     (Profitability, liquidity, Cash Flow, Debt) to assess both company strategy applied & as an investor should I invest or not.
   - Assess the external source of finance (to expand)
     - Raise debt from banks
     - Encourage Investors to invest
     - Issues bonds to people
     if non are applicable it can result in liquidity problems