

Mike Owjai Manufacturing
Income Statements
For the Years 2013 and 2014

	<i>2014</i>	<i>2013</i>
Sales	\$2,625,000	\$2,422,500
Cost of Goods	1,704,975	1,621,875
Gross Profit	920,025	800,625
Depreciation	63,000	53,250
Selling & Admin. Expense	652,350	626,250
Lease Expense	48,750	48,750
Net Operating Income	155,925	72,375
Interest Expense	84,000	51,000
Earnings Before Taxes	71,925	21,375
Taxes	25,174	7,481
Net Income	\$46,751	\$13,894

Notes:


Tax Rate	35.00%	35.00%
Shares	75,000	60,000
Earnings per Share	\$0.62	\$0.23

Alternative Solutions: |

Sales
Retained Earnings

Note: To switch between
and those for parts d a
appropriate problem f

Obviously, the change
worksheets as well, so
to see how they chang

Original 

\$ 2,625,000

\$ 448,751

Revenue

Original 2,625,000

Part D 2,850,000

Part E 2,625,000

When the original solution is selected, the original solution and the other solutions are just chosen from the drop-down list.

Changes propagate to the other solutions. When you can switch to them, they will be selected.

Tax Rate

35%

35%

40%

Mike Owjai Manufacturing
Balance Sheet
For the Year Ended December 31, 2014

	<i>2014</i>	<i>2013</i>
<i>Assets</i>		
Cash	\$39,000	\$30,750
Marketable Securities	1,826	15,750
Accounts Receivable	315,000	279,000
Inventory	386,250	315,000
<i>Total Current Assets</i>	742,076	640,500
Gross Fixed Assets	2,010,000	1,627,500
Accumulated Depreciation	426,750	363,750
<i>Net Plant & Equipment</i>	1,583,250	1,263,750
<i>Total Assets</i>	\$2,325,326	\$1,904,250
 <i>Liabilities & Owner's Equity</i>		
Accounts Payable	378,750	217,500
Accrued Expenses	26,250	22,500
<i>Total Current Liabilities</i>	405,000	240,000
Long-term Debt	878,325	795,750
<i>Total Liabilities</i>	1,283,325	1,035,750
Common Stock (\$1.00 par)	75,000	60,000
Additional Paid-in-Capital	518,250	406,500
Retained Earnings	448,751	402,000
<i>Total Owner's Equity</i>	1,042,001	868,500
<i>Total Liab. & Owner's Equity</i>	\$2,325,326	\$1,904,250

Mike Owjai Manufacturing
Common-size Income Statements
For the Years 2013 and 2014

	<i>2014</i>	<i>2013</i>
Sales	100.00%	100.00%
Cost of Goods	64.95%	66.95%
Gross Profit	35.05%	33.05%
Depreciation	2.40%	2.20%
Selling & Admin. Expense	24.85%	25.85%
Lease Expense	1.86%	2.01%
Net Operating Income	5.94%	2.99%
Interest Expense	3.20%	2.11%
Earnings Before Taxes	2.74%	0.88%
Taxes	0.96%	0.31%
Net Income	1.78%	0.57%

Notes:

Tax Rate	35.00%	35.00%
Shares	75,000	60,000

Mike Owjai Manufacturing
Common-size Balance Sheet
For the Year Ended December 31, 2014

	<i>2014</i>	<i>2013</i>
<i>Assets</i>		
Cash	1.68%	1.61%
Marketable Securities	0.08%	0.83%
Accounts Receivable	13.55%	14.65%
Inventory	16.61%	16.54%
<i>Total Current Assets</i>	<u>31.91%</u>	<u>33.64%</u>
Gross Fixed Assets	86.44%	85.47%
Accumulated Depreciation	18.35%	19.10%
Net Plant & Equipment	68.09%	66.36%
<i>Total Assets</i>	<u>100.00%</u>	<u>100.00%</u>
<i>Liabilities & Owner's Equity</i>		
Accounts Payable	16.29%	11.42%
Accrued Expenses	1.13%	1.18%
<i>Total Current Liabilities</i>	<u>17.42%</u>	<u>12.60%</u>
Long-term Debt	37.77%	41.79%
<i>Total Liabilities</i>	<u>55.19%</u>	<u>54.39%</u>
Common Stock (\$2 par)	3.23%	3.15%
Additional Paid-in-Capital	22.29%	21.35%
Retained Earnings	19.30%	21.11%
<i>Total Owner's Equity</i>	<u>44.81%</u>	<u>45.61%</u>
<i>Total Liab. & Owner's Equity</i>	<u>100.00%</u>	<u>100.00%</u>

Mike Owjai Manufacturing
Statement of Cash Flows
For the Year Ended December 31, 2014

Cash Flows from Operations	
Net Income	\$ 46,751
Depreciation Expense	63,000
Change in Marketable Securities	13,924
Change in Accounts Receivable	(36,000)
Change in Inventory	(71,250)
Change in Accounts Payable	161,250
Change in Accrued Expenses	3,750
<i>Total Cash Flows from Operations</i>	<u>181,425</u>
Cash Flows from Investing	
Change in Gross Fixed Assets	<u>(382,500)</u>
<i>Total Cash Flows from Investing</i>	<u>-382,500</u>
Cash Flows from Financing	
Change in Long-term Debt	82,575
Change in Common Stock (\$2 par)	15,000
Change in Additional Paid-in-Capital	<u>111,750</u>
<i>Total Cash Flows from Financing</i>	<u>209,325</u>
Net Change in Cash Balance	<u><u>\$ 8,250</u></u>

Mike Owjai Manufacturing
Statement of Cash Flows

Denominator

1

For the Year Ended December 31, 2014

Cash Flows from Operations	% of Sales	
Net Income	1.78%	
Depreciation Expense	2.40%	
Change in Marketable Securities	0.53%	
Change in Accounts Receivable	-1.37%	
Change in Inventory	-2.71%	
Change in Accounts Payable	6.14%	
Change in Accrued Expenses	0.14%	
<i>Total Cash Flows from Operations</i>		<u>6.91%</u>
Cash Flows from Investing		
Change in Gross Fixed Assets	-14.57%	
<i>Total Cash Flows from Investing</i>		<u>-14.57%</u>
Cash Flows from Financing		
Change in Long-term Debt	3.15%	
Change in Common Stock (\$2 par)	0.57%	
Change in Additional Paid-in-Capital	4.26%	
<i>Total Cash Flows from Financing</i>		<u>7.97%</u>
Net Change in Cash Balance		<u><u>0.31%</u></u>

Winter Park Web Design
Income Statements
For the Years 2013 and 2014

	<i>2014</i>	<i>2013</i>
Sales	\$ 280,419	\$ 225,000
Cost of Goods Sold	154,229	123,750
Gross Profit	126,191	101,250
Depreciation Expense	5,295	4,646
Selling & Admin Expense	825	720
Net Operating Income	120,071	95,884
Interest Expense	1,020	810
Earnings Before Taxes	119,051	95,074
Taxes	44,049	33,276
Net Income	75,002	61,798

Notes:

Tax Rate	37.0%	35.0%
Shares Outstanding	7,500	7,500
Earnings per Share	\$10.00	\$8.24
Dividends per Share	\$6.00	\$5.00
Addition to RE per Share	\$4.00	\$3.24

Note: Cells with a green background are the missing cells in the problem.

**Winter Park Web Design
Balance Sheets
For the Years 2013 and 2014**

	<i>2014</i>	<i>2013</i>
Cash	\$ 15,225	\$ 11,250
Accounts receivable	18,756	16,500
Inventories	12,911	11,325
<i>Total Current Assets</i>	46,892	39,075
Gross fixed assets	43,530	13,275
Accumulated depreciation	10,845	5,550
<i>Net Fixed Assets</i>	32,685	7,725
<i>Total assets</i>	79,577	46,800
Accounts payable	\$ 12,302	\$ 10,277
Notes payable	3,000	4,500
<i>Total Current Liabilities</i>	15,302	14,777
Long-term debt	10,673	8,423
<i>Total Liabilities</i>	25,974	23,199
Common stock	7,500	7,500
Additional paid in capital	750	750
Retained earnings	45,353	15,351
<i>Total Equity</i>	53,603	23,601
<i>Total Liabilities & Equity</i>	79,577	46,800

Notes:

Shares Outstanding	7,500	7,500
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**Winter Park Web Design
Statement of Cash Flows
For the Year 2014**

Cash Flows from Operations	
Net Income	\$ 75,002
Depreciation Expense	5,295
Change in Accounts Receivable	(2,256)
Change in Inventories	(1,586)
Change in Accounts Payable	2,025
Total Cash Flows from Operations	\$ 78,480
Cash Flows from Investing	
Change in fixed assets	(30,255)
Total Cash Flows from Investing	\$ (30,255)
Cash Flows from Financing	
Change in Notes Payable	(1,500)
Change in Long-Term Debt	2,250
Change in Common Stock	-
Change in Paid-In Capital	-
Cash Dividends	(45,000)
Total Cash Flows from Financing	\$ (44,250)
Net Change in Cash Balance	\$ 3,975
Check answer against Balance Sheet	
Beginning Cash From Balance Sheet	11,250
Ending Cash From Balance Sheet	15,225
Net Change in Cash Balance	\$ 3,975

Winter Park Web Design
Income Statements
For the Years 2013 and 2014

	<i>2014</i>	<i>2013</i>
Sales	100.00%	100.00%
Cost of Goods Sold	55.00%	55.00%
Gross Profit	45.00%	45.00%
Depreciation Expense	1.89%	2.07%
Selling & Admin Expense	0.29%	0.32%
Net Operating Income	42.82%	42.62%
Interest Expense	0.36%	0.36%
Earnings Before Taxes	42.45%	42.26%
Taxes	15.71%	14.79%
Net Income	26.75%	27.47%

**Winter Park Web Design
Balance Sheets
For the Years 2013 and 2014**

	<i>2014</i>	<i>2013</i>
Cash	19.13%	24.04%
Accounts receivable	23.57%	35.26%
Inventories	16.22%	24.20%
<i>Total Current Assets</i>	58.93%	83.49%
Gross fixed assets	54.70%	28.37%
Accumulated depreciation	13.63%	11.86%
<i>Net Fixed Assets</i>	41.07%	16.51%
<i>Total assets</i>	100.00%	100.00%
Accounts payable	15.46%	21.96%
Notes payable	3.77%	9.62%
<i>Total Current Liabilities</i>	19.23%	31.57%
Long-term debt	13.41%	18.00%
<i>Total Liabilities</i>	32.64%	49.57%
Common stock	9.42%	16.03%
Additional paid in capital	0.94%	1.60%
Retained earnings	56.99%	32.80%
<i>Total Equity</i>	67.36%	50.43%
<i>Total Liabilities & Equity</i>	100.00%	100.00%

Notes:

Shares Outstanding	7,500	7,500
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Automatic Data Processing, Inc.
Income Statements
For the Years 2010 to 2014
USD in Million except per share data

	Jun-14	Jun-13	Jun-12	Jun-11	Jun-10
Revenue	12,206	11,310	10,665	9,880	8,928
Cost of revenue	7,221	6,650	6,240	5,732	5,030
Gross profit	4,985	4,660	4,425	4,148	3,898
Total operating expenses	2,762	2,663	2,466	2,323	2,127
Operating income	2,223	1,997	1,959	1,825	1,771
Interest Expense	6	9	8	9	9
Other income (expense)	58	96	171	117	101
Income before taxes	2,275	2,084	2,122	1,933	1,863
Provision for income taxes	772	720	734	678	656
Net income from continuing operations	1,503	1,364	1,388	1,255	1,207
Net income from discontinuing ops	13	42			4
Net income	1,516	1,406	1,388	1,255	1,211
Net income available to common shareholders	1,516	1,406	1,388	1,255	1,211
Earnings per share					
Basic	3.17	2.91	2.85	2.54	2.42
Diluted	3.14	2.89	2.82	2.52	2.40
Weighted average shares outstanding					
Basic	479	483	487	494	500
Diluted	483	487	492	498	504

Note: Both MSN and Yahoo! have recently made it difficult to copy and paste financial statements into Excel. Therefore, I got this data from Morningstar Direct. There may be slight errors due to rounding.

Automatic Data Processing, Inc.
Income Statements
For the Years 2010 to 2014
USD in Million except per share data

	Jun-14	Jun-13	Jun-12	Jun-11	Jun-10
Assets					
Cash and cash equivalents	1,984	1,699	1,548	1,389	1,643
Short-term investments	2,032	28	30	36	28
Total cash	4,016	1,727	1,578	1,425	1,671
Receivables	1,716	1,519	1,323	1,288	1,037
Other current assets	20,101	22,955	22,254	25,869	19,609
Total current assets	25,833	26,201	25,155	28,582	22,317
Gross property, plant and equipment	2,126	2,043	1,957	1,952	1,829
Accumulated Depreciation	(1,348)	(1,314)	(1,251)	(1,236)	(1,155)
Net property, plant and equipment	778	729	706	716	674
Equity and other investments	54	314	87	98	104
Goodwill	3,114	3,053	3,155	3,074	2,383
Intangible assets	632	643	711	716	542
Other long-term assets	1,641	1,329	1,000	1,051	842
Total non-current assets	6,219	6,068	5,659	5,655	4,545
Total assets	32,052	32,269	30,814	34,237	26,862
Liabilities and stockholders' equity					
Short-term debt	2,173	-	-	-	-
Accounts payable	170	157	168	153	150
Taxes payable	20	40	39	29	60
Accrued liabilities	2,022	1,811	1,654	1,489	1,220
Deferred revenues	333	316	334	351	322
Other current liabilities	19,190	22,409	21,045	24,765	18,301
Total current liabilities	23,908	24,733	23,240	26,787	20,053
Non-current liabilities					
Long-term debt	12	15	17	34	40
Deferred taxes liabilities	289	234	391	374	306
Deferred revenues	513	493	468	477	457
Other long-term liabilities	660	603	586	556	528
Total non-current liabilities	1,474	1,345	1,462	1,441	1,331
Total liabilities	25,382	26,078	24,702	28,228	21,384
Stockholders' equity					
Common stock	64	64	64	64	64
Additional paid-in capital	545	457	486	490	493
Retained earnings	13,633	13,020	12,438	11,804	11,252
Treasury stock	(7,750)	(7,367)	(7,105)	(6,714)	(6,540)
Accumulated other comprehensive income	178	15	230	367	210
Total stockholders' equity	6,670	6,189	6,113	6,011	5,479
Total liabilities and stockholders' equity	32,052	32,267	30,815	34,239	26,863

Automatic Data Processing, Inc.
Income Statements
For the Years 2010 to 2014
USD in Million except per share data

	Jun-14	Jun-13	Jun-12	Jun-11	Jun-10
Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of revenue	59.16%	58.80%	58.51%	58.02%	56.34%
Gross profit	40.84%	41.20%	41.49%	41.98%	43.66%
Total operating expenses	22.63%	23.55%	23.12%	23.51%	23.82%
Operating income	18.21%	17.66%	18.37%	18.47%	19.84%
Interest Expense	0.05%	0.08%	0.08%	0.09%	0.10%
Other income (expense)	0.48%	0.85%	1.60%	1.18%	1.13%
Income before taxes	18.64%	18.43%	19.90%	19.56%	20.87%
Provision for income taxes	6.32%	6.37%	6.88%	6.86%	7.35%
Net income from continuing operations	12.31%	12.06%	13.01%	12.70%	13.52%
Net income from discontinuing ops	0.11%	0.37%	0.00%	0.00%	0.04%
Net income	12.42%	12.43%	13.01%	12.70%	13.56%
Net income available to common shareholders	12.42%	12.43%	13.01%	12.70%	13.56%
Earnings per share					
Basic	3.17	2.91	2.85	2.54	2.42
Diluted	3.14	2.89	2.82	2.52	2.40
Weighted average shares outstanding					
Basic	479	483	487	494	500
Diluted	483	487	492	498	504

Note: Both MSN and Yahoo! have recently made it difficult to copy and paste financial statements into Excel. Therefore, I got this data from Morningstar Direct. There may be slight errors due to rounding.

Automatic Data Processing, Inc.
Income Statements
For the Years 2010 to 2014
USD in Million except per share data

	Jun-14	Jun-13	Jun-12	Jun-11	Jun-10
Assets					
Cash and cash equivalents	6.19%	5.27%	5.02%	4.06%	6.12%
Short-term investments	6.34%	0.09%	0.10%	0.11%	0.10%
Total cash	12.53%	5.35%	5.12%	4.16%	6.22%
Receivables	5.35%	4.71%	4.29%	3.76%	3.86%
Other current assets	62.71%	71.14%	72.22%	75.56%	73.00%
Total current assets	80.60%	81.20%	81.63%	83.48%	83.08%
Gross property, plant and equipment	6.63%	6.33%	6.35%	5.70%	6.81%
Accumulated Depreciation	-4.21%	-4.07%	-4.06%	-3.61%	-4.30%
Net property, plant and equipment	2.43%	2.26%	2.29%	2.09%	2.51%
Equity and other investments	0.17%	0.97%	0.28%	0.29%	0.39%
Goodwill	9.72%	9.46%	10.24%	8.98%	8.87%
Intangible assets	1.97%	1.99%	2.31%	2.09%	2.02%
Other long-term assets	5.12%	4.12%	3.25%	3.07%	3.13%
Total non-current assets	19.40%	18.80%	18.37%	16.52%	16.92%
Total assets	100.00%	100.00%	100.00%	100.00%	100.00%
Liabilities and stockholders' equity					
Short-term debt	6.78%	0.00%	0.00%	0.00%	0.00%
Accounts payable	0.53%	0.49%	0.55%	0.45%	0.56%
Taxes payable	0.06%	0.12%	0.13%	0.08%	0.22%
Accrued liabilities	6.31%	5.61%	5.37%	4.35%	4.54%
Deferred revenues	1.04%	0.98%	1.08%	1.03%	1.20%
Other current liabilities	59.87%	69.44%	68.30%	72.33%	68.13%
Total current liabilities	74.59%	76.65%	75.42%	78.24%	74.65%
Non-current liabilities					
Long-term debt	0.04%	0.05%	0.06%	0.10%	0.15%
Deferred taxes liabilities	0.90%	0.73%	1.27%	1.09%	1.14%
Deferred revenues	1.60%	1.53%	1.52%	1.39%	1.70%
Other long-term liabilities	2.06%	1.87%	1.90%	1.62%	1.97%
Total non-current liabilities	4.60%	4.17%	4.74%	4.21%	4.95%
Total liabilities	79.19%	80.81%	80.16%	82.45%	79.61%
Stockholders' equity					
Common stock	0.20%	0.20%	0.21%	0.19%	0.24%
Additional paid-in capital	1.70%	1.42%	1.58%	1.43%	1.84%
Retained earnings	42.53%	40.35%	40.36%	34.48%	41.89%
Treasury stock	-24.18%	-22.83%	-23.06%	-19.61%	-24.35%
Accumulated other comprehensive income	0.56%	0.05%	0.75%	1.07%	0.78%
Total stockholders' equity	20.81%	19.18%	19.84%	17.56%	20.40%
Total liabilities and stockholders' equity	100.00%	99.99%	100.00%	100.01%	100.00%

Elvis Products International								
Income Statement								
For the Year Ended Dec. 31, 2014								
	2014	2013						
Sales	3,850,000	3,432,000						
Cost of Goods Sold	3,250,000	2,864,000						
Gross Profit	600,000	568,000						
Selling and G&A Expenses	330,300	240,000						
Fixed Expenses	100,000	100,000						
Depreciation Expense	20,000	18,900						
EBIT	149,700	209,100						
Interest Expense	76,000	62,500						
Earnings Before Taxes	73,700	146,600						
Taxes	29,480	58,640						
Net Income	44,220	87,960						
Notes:								
Tax Rate	40%							

Note: The year in cell B4 is the o
all of years in this workbook dep
To change all dates, change B4 to
year. This will also be reflected
in these workbooks.

Elvis Products International							
Income Statement							
For the Year Ended Dec. 31, 2014 (\$ in 000's)							
	<i>2014</i>	<i>2013</i>					
Sales	3,850.00	3,432.00					Note: All of the values reference the original Income Statement. This sheet is to show the effect in number format.
Cost of Goods Sold	3,250.00	2,864.00					
Gross Profit	600.00	568.00					
Selling and G&A Expenses	330.30	240.00					
Fixed Expenses	100.00	100.00					
Depreciation Expense	20.00	18.90					
EBIT	149.70	209.10					
Interest Expense	76.00	62.50					
Earnings Before Taxes	73.70	146.60					
Taxes	29.48	58.64					
Net Income	44.22	87.96					
Notes:							
Tax Rate	40%						

Elvis Products International			
Common-size Income Statement			
For the Year Ended Dec. 31, 2014			
	<i>2014</i>	<i>2013</i>	<i>Contribution</i>
Sales	100.00%	100.00%	
Cost of Goods Sold	84.42%	83.45%	-0.97%
Gross Profit	15.58%	16.55%	
Selling and G&A Expenses	8.58%	6.99%	-1.59%
Fixed Expenses	2.60%	2.91%	0.32%
Depreciation Expense	0.52%	0.55%	0.03%
EBIT	3.89%	6.09%	
Interest Expense	1.97%	1.82%	-0.15%
Earnings Before Taxes	1.91%	4.27%	
Taxes	0.77%	1.71%	0.94%
Net Income	1.15%	2.56%	-1.41%
Notes:			
Tax Rate	40%		

Elvis Products International							
Pro-forma Income Statement							
For the Year Ended Dec. 31, 2014							
	2015*	2014	2013				
Sales	4,300.00	3,850.00	3,432.00				
Cost of Goods Sold	3,609.11	3,250.00	2,864.00				
Gross Profit	690.89	600.00	568.00				
Selling and G&A Expenses	334.80	330.30	240.00			Note that firm's capital expenditures are expected to rise by \$50,000 in new year. This will lead to an increase of \$5,000 in accumulated depreciation.	
Fixed Expenses	100.00	100.00	100.00				
Depreciation Expense	25.00	20.00	18.90				
EBIT	231.09	149.70	209.10				
Interest Expense	76.00	76.00	62.50				
Earnings Before Taxes	155.09	73.70	146.60				
Taxes	62.04	29.48	58.64				
Net Income	93.05	44.22	87.96				
* Forecast							
Notes:							
Tax Rate	40%	40%					
Additional Depreciation	5.00						

Elvis Products International				
Balance Sheet				
As of Dec. 31, 2014				
Assets	2014	2013		
Cash and Equivalents	52,000	57,600		
Accounts Receivable	402,000	351,200		
Inventory	836,000	715,200		
<i>Total Current Assets</i>	<i>1,290,000</i>	<i>1,124,000</i>		
Plant & Equipment	527,000	491,000		
Accumulated Depreciation	166,200	146,200		
<i>Net Fixed Assets</i>	<i>360,800</i>	<i>344,800</i>		
Total Assets	1,650,800	1,468,800		
Liabilities and Owner's Equity				
Accounts Payable	175,200	145,600		
Short-term Notes Payable	225,000	200,000		
Other Current Liabilities	140,000	136,000		
<i>Total Current Liabilities</i>	<i>540,200</i>	<i>481,600</i>		
Long-term Debt	424,612	323,432		
<i>Total Liabilities</i>	<i>964,812</i>	<i>805,032</i>		
Common Stock	460,000	460,000		
Retained Earnings	225,988	203,768		
<i>Total Shareholder's Equity</i>	<i>685,988</i>	<i>663,768</i>		
Total Liabilities and Owner's Equity	1,650,800	1,468,800		

Elvis Products International						
Balance Sheet						
As of Dec. 31, 2014 (\$ in 000's)						
Assets	2014	2013				
Cash and Equivalents	52.00	57.60				Note: All d reference t Balance Sh sheet is to number fo
Accounts Receivable	402.00	351.20				
Inventory	836.00	715.20				
<i>Total Current Assets</i>	<i>1,290.00</i>	<i>1,124.00</i>				
Plant & Equipment	527.00	491.00				
Accumulated Depreciation	166.20	146.20				
<i>Net Fixed Assets</i>	<i>360.80</i>	<i>344.80</i>				
Total Assets	1,650.80	1,468.80				
Liabilities and Owner's Equity						
Accounts Payable	175.20	145.60				
Short-term Notes Payable	225.00	200.00				
Other Current Liabilities	140.00	136.00				
<i>Total Current Liabilities</i>	<i>540.20</i>	<i>481.60</i>				
Long-term Debt	424.61	323.43				
<i>Total Liabilities</i>	<i>964.81</i>	<i>805.03</i>				
Common Stock	460.00	460.00				
Retained Earnings	225.99	203.77				
<i>Total Shareholder's Equity</i>	<i>685.99</i>	<i>663.77</i>				
Total Liabilities and Owner's Equity	1,650.80	1,468.80				

Elvis Products International				
Common-size Balance Sheet				
As of Dec. 31, 2014				
Assets	2014	2013		
Cash and Equivalents	3.15%	3.92%		
Accounts Receivable	24.35%	23.91%		
Inventory	50.64%	48.69%		
<i>Total Current Assets</i>	<i>78.14%</i>	<i>76.53%</i>		
Plant & Equipment	31.92%	33.43%		
Accumulated Depreciation	10.07%	9.95%		
<i>Net Fixed Assets</i>	<i>21.86%</i>	<i>23.47%</i>		
Total Assets	100.00%	100.00%		
Liabilities and Owner's Equity				
Accounts Payable	10.61%	9.91%		
Short-term Notes Payable	13.63%	13.62%		
Other Current Liabilities	8.48%	9.26%		
<i>Total Current Liabilities</i>	<i>32.72%</i>	<i>32.79%</i>		
Long-term Debt	25.72%	22.02%		
<i>Total Liabilities</i>	<i>58.45%</i>	<i>54.81%</i>		
Common Stock	27.87%	31.32%		
Retained Earnings	13.69%	13.87%		
<i>Total Shareholder's Equity</i>	<i>41.55%</i>	<i>45.19%</i>		
Total Liabilities and Owner's Equity	100.00%	100.00%		

Elvis Products International						
Pro-forma Balance Sheet						
As of Dec. 31, 2014						
Assets	2015*	2014	2013			
Cash and Equivalents	52.00	52.00	57.60			
Accounts Receivable	444.51	402.00	351.20			
Inventory	914.90	836.00	715.20			
Total Current Assets	1,411.40	1,290.00	1,124.00			
Plant & Equipment	577.00	527.00	491.00			Note that are expect new year. of \$5,000
Accumulated Depreciation	191.20	166.20	146.20			
Net Fixed Assets	385.80	360.80	344.80			
Total Assets	1,797.20	1,650.80	1,468.80			
Liabilities and Owner's Equity						
Accounts Payable	189.05	175.20	145.60			
Short-term Notes Payable	225.00	225.00	200.00			
Other Current Liabilities	163.38	140.00	136.00			
Total Current Liabilities	577.43	540.20	481.60			
Long-term Debt	424.61	424.61	323.43			
Total Liabilities	1,002.04	964.81	805.03			
Common Stock	460.00	460.00	460.00			
Retained Earnings	297.04	225.99	203.77			
Total Shareholder's Equity	757.04	685.99	663.77			
Total Liabilities and Owner's Equity	1,759.08	1,650.80	1,468.80			
*Forecast						
Discretionary Financing Needed	38.12	Deficit				
Notes:						
Net Addition to Plant & Equipment	50.00					
Life of New Equipment in Years	10					
New Depreciation (Straight Line)	5.00					

Elvis Products International						
Statement of Cash Flows						
For the Year Ended Dec. 31, 2014 (\$ in 000's)						
Cash Flows from Operations						
Net Income	44.22					
Depreciation Expense	20.00					
Change in Accounts Receivable	-50.80					
Change in Inventories	-120.80					
Change in Accounts Payable	29.60					
Change in Other Current Liabilities	4.00					
Total Cash Flows from Operations		-73.78				
Cash Flows from Investing						
Change in Plant & Equipment	-36.00					
Total Cash Flows from Investing		-36.00				
Cash Flows from Financing						
Change in Short-term Notes Payable	25.00					
Change in Long-term Debt	101.18					
Change in Common Stock	0.00					
Cash Dividends Paid to Shareholders	-22.00					
Total Cash Flows from Financing		104.18				
Net Change in Cash Balance		-5.60				

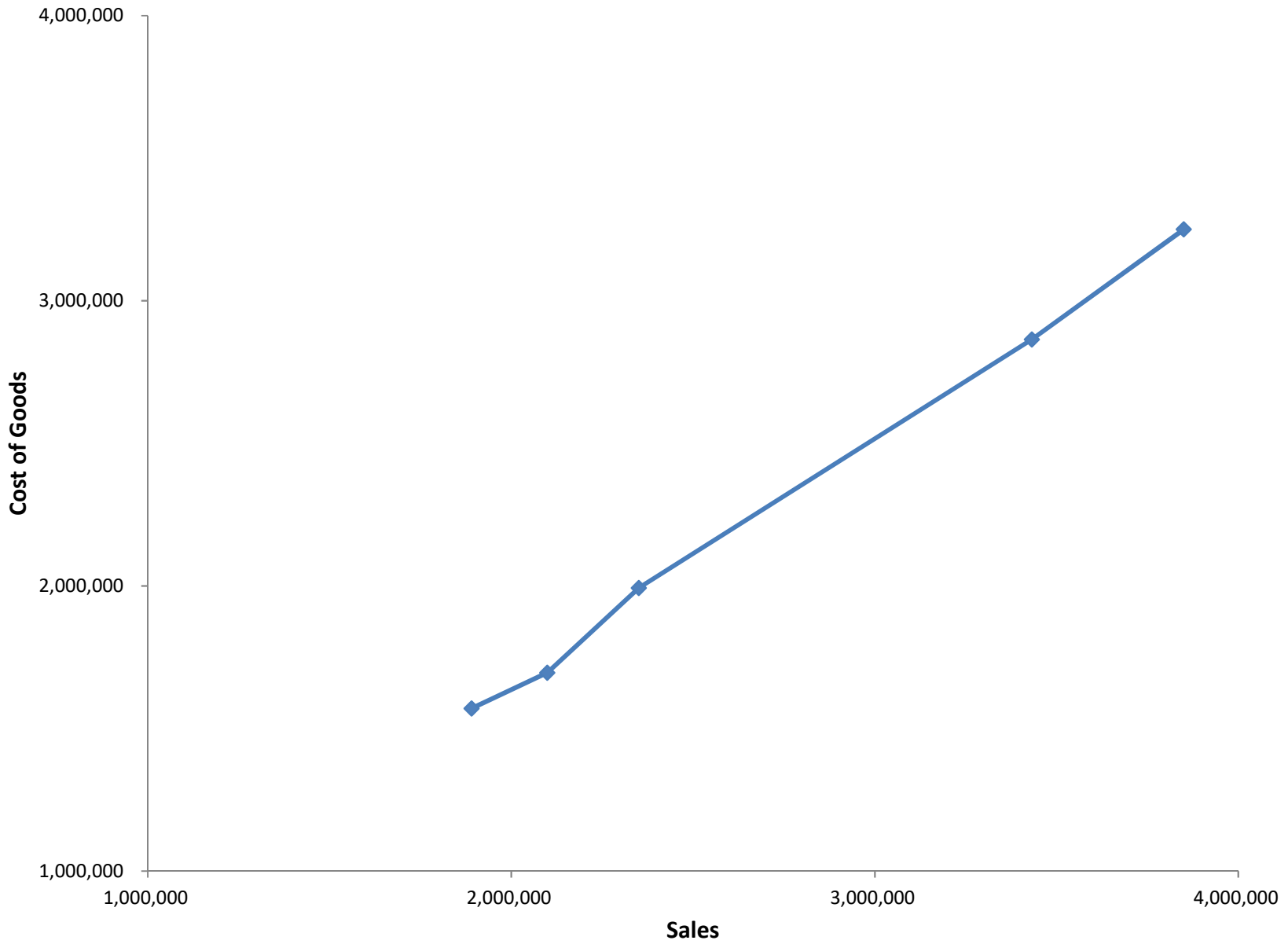
Elvis Products International			Denominator	1
Common-size Statement of Cash Flows				
For the Year Ended Dec. 31, 2014				
Cash Flows from Operations				
	% of Sales			
Net Income	1.15%			
Depreciation Expense	0.52%			
Change in Accounts Receivable	-1.32%			
Change in Inventories	-3.14%			
Change in Accounts Payable	0.77%			
Change in Other Current Liabilities	0.10%			
Total Cash Flows from Operations		-1.92%		
Cash Flows from Investing				
Change in Plant & Equipment	-0.94%			
Total Cash Flows from Investing		-0.94%		
Cash Flows from Financing				
Change in Short-term Notes Payable	0.65%			
Change in Long-term Debt	2.63%			
Change in Common Stock	0.00%			
Cash Dividends Paid to Shareholders	-0.57%			
Total Cash Flows from Financing		2.71%		
Net Change in Cash Balance		-0.15%		

Elvis Products International				
Ratio Analysis for 2013 and 2014				
Ratio	2014	2013	Industry 2014	Analysis
Liquidity Ratios				
Current Ratio	2.39x	2.33x	2.70x	Ok
Quick Ratio	0.84x	0.85x	1.00x	Bad
Efficiency Ratios				
Inventory Turnover	3.89x	4.00x	7.00x	Bad
A/R Turnover	9.58x	9.77x	10.70x	Bad
Average Collection Period	37.59 days	36.84 days	33.64 days	Bad
Fixed Asset Turnover	10.67x	9.95x	11.20x	Ok
Total Asset Turnover	2.33x	2.34x	2.60x	Bad
Leverage Ratios				
Total Debt Ratio	58.45%	54.81%	50.00%	Bad
Long-term Debt Ratio	25.72%	22.02%	20.00%	Bad
LTD to Total Capitalization	38.23%	32.76%	28.57%	Bad
Debt to Equity	1.41x	1.21x	1.00x	Bad
LTD to Equity	61.90%	48.73%	40.00%	Bad
Coverage Ratios				
Times Interest Earned	1.97x	3.35x	2.50x	Bad
Cash Coverage Ratio	2.23x	3.65x	2.80x	Bad
Profitability Ratios				
Gross Profit Margin	15.58%	16.55%	17.50%	Bad
Operating Profit Margin	3.89%	6.09%	6.25%	Bad
Net Profit Margin	1.15%	2.56%	3.50%	Bad
Return on Total Assets	2.68%	5.99%	9.10%	Bad
Return on Equity	6.45%	13.25%	18.20%	Bad
Return on Common Equity	6.45%	13.25%	18.20%	Bad
Stock Valuation Notes:				
Number of Shares	100,000	100,000		
Assumed P/E Ratio	20	20		
Stock Price	\$8.84	\$17.59		

Elvis Products International		
Economic Profit Calculations		
	2014	2013
Tax Rate	40%	40%
NOPAT	89,820	125,460
Total Operating Capital	1,335,600	1,187,200
After-tax Cost of Capital	13%	13%
Dollar Cost of Capital	173,628	154,336
Economic Profit	(83,808)	(28,876)

Year	Sales	EPI Sales for 2010 to 2014 with Trend			
2010	1,890,532	<p>$y = 525,244.60x - 1,054,067,869.20$</p>			
2011	2,098,490				
2012	2,350,308				
2013	3,432,000				
2014	3,850,000				
2015	4,300,000				
2016	4,825,244				
2017	5,350,489				
		Actual Equation Using LinEst			
		Slope	Intercept		
		525,244.60	#####	←	This is an example using LinEst as an array-en
		525,244.60	#####	←	This is an example of pulling out just the speci
		Year	Sales		
		2015	4,300,000	←	These are forecasts using the LinEst() and Inde
		2016	4,825,244	←	
		2017	5,350,489	←	

Cost of Goods vs Sales 2010 to 2014



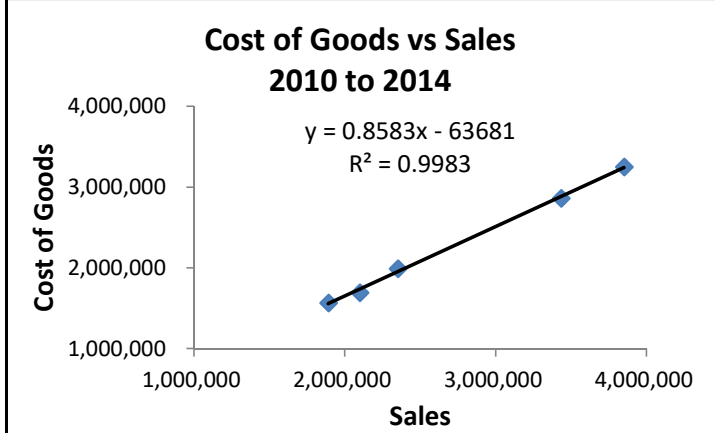
Year	Sales	Cost of Goods				
2010	1,890,532	1,570,200				
2011	2,098,490	1,695,694				
2012	2,350,308	1,992,400				
2013	3,432,000	2,864,000				
2014	3,850,000	3,250,000				

**Cost of Goods vs Sales
2010 to 2014**

Year	Sales	Cost of Goods
2010	1,890,532	1,570,200
2011	2,098,490	1,695,694
2012	2,350,308	1,992,400
2013	3,432,000	2,864,000
2014	3,850,000	3,250,000

SUMMARY OUTPUT						
<i>Regression Statistics</i>						
Multiple R	99.91%					
R Square	99.83%					
Adjusted R Square	99.77%					
Standard Error	35523.08					
Observations	5					
<i>ANOVA</i>						
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>	
Regression	1	2,205,960,110,240	2,205,960,110,240	1,748	0.0000	
Residual	3	3,785,666,909	1,261,888,970			
Total	4	2,209,745,777,149				
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	(63,680.8247)	58,134.6760	(1.0954)	0.3534	(248,691.3095)	121,329.6601
Sales	0.8583	0.0205	41.8108	0.0000	0.7929	0.9236

Year	Sales	Cost of Goods					Chart Title	Cost of Goods
2010	1,890,532	1,570,200						
2011	2,098,490	1,695,694						
2012	2,350,308	1,992,400						
2013	3,432,000	2,864,000						
2014	3,850,000	3,250,000						
2015*	4,300,000	3,626,855						



*Forecast								
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Winter Park Web Design
Income Statements
For the Years 2013 and 2014

	<i>2014</i>	<i>2013</i>
Sales	\$ 280,419	\$ 225,000
Cost of Goods Sold	154,229	123,750
Gross Profit		
Depreciation Expense		4,646
Selling & Admin Expense	825	720
Net Operating Income		
Interest Expense	1,020	810
Earnings Before Taxes		
Taxes		
Net Income		

Notes:

Tax Rate	37.0%	35.0%
Shares Outstanding		
Earnings per Share		
Dividends per Share	\$6.00	\$5.00
Addition to RE per Share		

Note: Cells with a green background are the missing cells in the problem.

**Winter Park Web Design
Balance Sheets
For the Years 2013 and 2014**

	<i>2014</i>	<i>2013</i>
Cash	\$ 15,225	\$ 11,250
Accounts receivable	18,756	
Inventories		11,325
<i>Total Current Assets</i>		
Gross fixed assets	43,530	
Accumulated depreciation	10,845	
<i>Net Fixed Assets</i>	32,685	-
<i>Total assets</i>	32,685	-
Accounts payable	\$ 12,302	
Notes payable		4,500
<i>Total Current Liabilities</i>		4,500
Long-term debt	10,673	
<i>Total Liabilities</i>	10,673	4,500
Common stock	7,500	
Additional paid in capital		750
Retained earnings		15,351
<i>Total Equity</i>		
<i>Total Liabilities & Equity</i>		

Notes:

Shares Outstanding	7,500
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**Winter Park Web Design
Statement of Cash Flows
For the Year 2014**

Cash Flows from Operations		
Net Income		
Depreciation Expense	5,295	
Change in Accounts Receivable	(2,256)	
Change in Inventories	(1,586)	
Change in Accounts Payable	2,025	
Total Cash Flows from Operations		
Cash Flows from Investing		
Change in fixed assets	(30,255)	
Total Cash Flows from Investing	\$ (30,255)	
Cash Flows from Financing		
Change in Notes Payable	(1,500)	
Change in Long-Term Debt	2,250	
Change in Common Stock	-	
Change in Paid-In Capital	-	
Cash Dividends		
Total Cash Flows from Financing		
Net Change in Cash Balance		
Check answer against Balance Sheet		
Beginning Cash From Balance Sheet		
Ending Cash From Balance Sheet		
Net Change in Cash Balance		

