

Weaver Corporation's stock is selling for \$16 per share. Weaver provided the following financial statements. Use these statements to prepare a comprehensive ratio analysis. The blank worksheet includes a table of the ratios you should calculate.

WEAVER CORPORATION		
Comparative Balance Sheet		
December 31, 20X3 and 20X2		
ASSETS	20X3	20X2
Current assets		
Cash	\$ 500,000	\$ 370,000
Accounts receivable	350,000	290,000
Inventories	90,000	110,000
Total current assets	<u>\$ 940,000</u>	<u>\$ 770,000</u>
Property, plant & equip.		
Land	\$ 200,000	\$ 200,000
Building	650,000	650,000
Equipment	950,000	900,000
	<u>\$ 1,800,000</u>	<u>\$ 1,750,000</u>
Less: Accumulated depreciation	<u>(365,000)</u>	<u>(325,000)</u>
Total property, plant & equipment	<u>\$ 1,435,000</u>	<u>\$ 1,425,000</u>
Total assets	<u>\$ 2,375,000</u>	<u>\$ 2,195,000</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 160,000	\$ 200,000
Interest payable	40,000	30,000
Total current liabilities	<u>\$ 200,000</u>	<u>\$ 230,000</u>
Long-term liabilities		
Long-term note payable	<u>800,000</u>	<u>700,000</u>
Total liabilities	<u>\$ 1,000,000</u>	<u>\$ 930,000</u>
STOCKHOLDERS' EQUITY		
Common stock (\$0.50 par)	\$ 100,000	\$ 100,000
Paid-in capital in excess of par	655,000	655,000
Retained earnings	620,000	510,000
Total stockholders' equity	<u>\$ 1,375,000</u>	<u>\$ 1,265,000</u>
Total Liabilities and equity	<u>\$ 2,375,000</u>	<u>\$ 2,195,000</u>

WEAVER CORPORATION		
Income Statement		
For the year ending December 31, 20X3		
Revenues		\$ 1,685,000
Cost of goods sold		<u>980,000</u>
Gross profit		\$ 705,000
Operating Expenses		
Salaries	\$ 245,000	
Interest	65,000	
Depreciation	40,000	
Other operating expenses	<u>155,000</u>	<u>505,000</u>
Income before income taxes		\$ 200,000
Less: Income taxes		<u>40,000</u>
Net income		<u><u>\$ 160,000</u></u>

WEAVER CORPORATION		
Statement of Retained Earnings		
For the Year Ending December 31, 20X3		
Beginning retained earnings, January 1		\$ 510,000
Plus: Net income		<u>160,000</u>
		\$ 670,000
Less: Dividends		<u>50,000</u>
Ending retained earnings, December 31		<u><u>\$ 620,000</u></u>