

(a)

DEBT OPTION:

BRANFORD CORPORATION		
Balance Sheet		
August 15, 20X4		
Assets		
Cash		\$ -
Accounts receivable		250,000
Inventory		750,000
Property, plant, & equipment (net)		<u>860,000</u>
Total assets		<u>\$ -</u>
Liabilities		
Accounts payable	\$ 125,000	
Accrued liabilities	260,000	
Notes payable	<u>-</u>	
Total liabilities		\$ -
Stockholders' equity		
Common stock, \$5 par	\$ -	
Paid-in capital in excess of par	-	
Retained earnings	<u>310,000</u>	
Total stockholders' equity		<u>-</u>
Total liabilities and equity		<u>\$ -</u>

COMMON STOCK OPTION:

BRANFORD CORPORATION
Balance Sheet
August 15, 20X4

Assets

Cash		\$ -
Accounts receivable		250,000
Inventory		750,000
Property, plant, & equipment (net)		<u>860,000</u>
Total assets		<u><u>\$ -</u></u>

Liabilities

Accounts payable	\$ 125,000	
Accrued liabilities	260,000	
Notes payable	<u>-</u>	
Total liabilities		\$ -

Stockholders' equity

Common stock, \$5 par	\$ -	
Paid-in capital in excess of par	-	
Retained earnings	<u>310,000</u>	
Total stockholders' equity		<u>-</u>
Total liabilities and equity		<u><u>\$ -</u></u>

NONCUMULATIVE PREFERRED STOCK OPTION:

BRANFORD CORPORATION
Balance Sheet
August 15, 20X4

Assets

Cash		\$ -
Accounts receivable		250,000
Inventory		750,000
Property, plant, & equipment (net)		<u>860,000</u>
Total assets		<u><u>\$ -</u></u>

Liabilities

Accounts payable	\$ 125,000	
Accrued liabilities	260,000	
Notes payable	<u>-</u>	
Total liabilities		\$ -

Stockholders' equity

Preferred stock, 8% noncumulative	\$ -	
Common stock, \$5 par	-	
Paid-in capital in excess of par	-	
Retained earnings	<u>310,000</u>	
Total stockholders' equity		<u>-</u>
Total liabilities and equity		<u><u>\$ -</u></u>

CUMULATIVE PREFERRED STOCK OPTION:

BRANFORD CORPORATION		
Balance Sheet		
August 15, 20X4		
Assets		
Cash		\$ -
Accounts receivable		250,000
Inventory		750,000
Property, plant, & equipment (net)		<u>860,000</u>
Total assets		<u><u>\$ -</u></u>
Liabilities		
Accounts payable	\$ 125,000	
Accrued liabilities	260,000	
Notes payable	<u>-</u>	
Total liabilities		\$ -
Stockholders' equity		
Preferred stock, 6% cumulative	\$ -	
Common stock, \$5 par	-	
Paid-in capital in excess of par	-	
Retained earnings	<u>310,000</u>	
Total stockholders' equity		<u>-</u>
Total liabilities and equity		<u><u>\$ -</u></u>

CONVERTIBLE PREFERRED STOCK OPTION:

BRANFORD CORPORATION		
Balance Sheet		
August 15, 20X4		
Assets		
Cash		\$ -
Accounts receivable		250,000
Inventory		750,000
Property, plant, & equipment (net)		<u>860,000</u>
Total assets		<u><u>\$ -</u></u>
Liabilities		
Accounts payable	\$ 125,000	
Accrued liabilities	260,000	
Notes payable	<u>-</u>	
Total liabilities		\$ -
Stockholders' equity		
Preferred stock, 4% convertible/cumulative	\$ -	
Common stock, \$5 par	-	
Paid-in capital in excess of par	-	
Retained earnings	<u>310,000</u>	
Total stockholders' equity		<u>-</u>
Total liabilities and equity		<u><u>\$ -</u></u>

(b)

(c)

(d)

(e)

(f)