

# MultiXiga 2016

## Printers for Less

Accounting 3600

Group Project Version E

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# Company Overview

### “MultiXiga2016 Printers for less”

“MultiXiga2016 Printer for Less” is a relatively new company. It was founded in January of 2016 by 4 students from the University of Utah, while completing their Accounting 3600 class. This company is in charge of manufacturing printers and small portable projectors. It offers service and repair of the printers regardless of warranty. It also buys the printers back, reworks them and sells the devices as a refurbish item with a discount of up to 65%. This company introduced the students to the business world and as of today it has been very successful. Its return policy is exceeding customer expectations by providing quality printers.

The printers are manufactured to provide all-in-one features including a scanner and fax. The scanner allows you easily scan and upload any picture or document while the printer's ink cartridges hold more ink than the average cartridge. Replacement cartridges can be bought from the company or from any retailer at low cost.

Its design also allows the device to be converted in a projector by attaching a small portable lens with LED light, projecting in high resolution resulting in a brilliant, high-quality image with vibrant colors. The projector can be added as an additional feature with the printer or as a la carte item. However, there are big savings if they are sold together. The use of both devices in the office facilitate meeting presentations or at-home use for family entertainment. If the portable projector is sold separately, it can be used on any other printer hybrid with the projector adapter from “MultiXiga2016 Printer for Less”. There is no competition for this type of device anywhere else on the market since the device is still unique.

# Financial Statements

MultiXiga2016  
Income Statement

For the Year Ended	2019	2018	2017
Total Revenue	\$ 4,226,880	\$ 2,280,000	\$ 2,500,000
Cost of Goods Sold	2,557,050	850,000	780,000
<b>Gross Profit</b>	<b>\$ 1,669,830</b>	<b>\$ 1,430,000</b>	<b>\$ 1,720,000</b>
<b>Operating Expenses</b>			
Bad debt expense	228,160	60,750	45,000
Wages expense	1,038,000	565,000	785,000
Rent expense	74,258	18,009	17,080
Insurance expense	163,333	23,905	21,097
Utility expense	62,000	37,050	37,500
Fuel expense	9,600	2,900	1,400
Depreciation expense	580,600	500,000	500,000
Advertising expense	48,492	23,000	25,000
Office supplies expense	20,800	6,000	5,000
Total operating expenses	<b>\$ 2,225,243</b>	<b>\$ 1,236,614</b>	<b>\$ 1,437,077</b>
<b>Operating Income or Loss</b>	<b>\$ (555,413)</b>	<b>\$ 193,386</b>	<b>\$ 282,923</b>
<b>Income/Expenses from Continuing Operations</b>			
Gain on sale	1,080,000	-	34,900
Unreal hold gain/loss	(6,000)	-	-
Interest income	85,821	23,676	21,574
Amortization expense	(3,583)	-	-
Interest expense	(89,750)	(56,250)	(56,250)
Bond interest expense	(16,877)	-	-
Loss on sale	-	-	(120,000)
Net income From Continuing Ops	<b>\$ 1,049,610</b>	<b>\$ (32,574)</b>	<b>\$ (119,776)</b>
<b>Net Income</b>	<b>\$ 494,198</b>	<b>\$ 160,812</b>	<b>\$ 163,147</b>

MultiXiga2016  
Balance Sheet

	At	Dec 31, 2019	Dec 31, 2018	Dec 31, 2017
<b>Assets</b>				
Current Assets				
Cash	\$	3,765,347	\$ 525,710	\$ 658,079
Marketable Securities		113,000	75,000	15,000
Accounts Receivable		1,697,163	455,000	525,000
Allowance for Bad Debt		(203,660)	(25,000)	(105,000)
Interest Receivable		85,821	23,676	21,574
Office Supplies		3,720	3,520	5,400
Prepaid Advertising		4,408	-	-
Prepaid Rent		109,792	29,050	34,982
Prepaid Insurance		340,503	139,836	148,945
Inventory		719,950	975,000	775,000
<b>Total Current Assets</b>	<b>\$</b>	<b>6,636,043</b>	<b>\$ 2,201,792</b>	<b>\$ 2,078,980</b>
Non-Current Assets				
Office Furniture	\$	93,000	\$ -	\$ -
Accumulated Depreciation		(8,600)	-	-
Equipment		4,730,000	5,000,000	5,000,000
Accumulated Depreciation		(2,482,000)	(2,000,000)	(1,500,000)
LT Notes Receivable		285,000	285,000	-
Patent		82,417	-	-
Land		1,190,000	1,450,000	1,450,000
<b>Total Non-Current Assets</b>	<b>\$</b>	<b>3,889,817</b>	<b>\$ 4,735,000</b>	<b>\$ 4,950,000</b>
<b>Total Assets</b>	<b>\$</b>	<b>10,525,860</b>	<b>\$ 6,936,792</b>	<b>\$ 7,028,980</b>
<b>Liabilities</b>				
Current Liabilities				
Accounts Payable	\$	1,123,000	\$ 450,000	\$ 570,000
Wages Payable		36,000	35,000	33,000
Interest Payable		2,250	-	-
St Note Payable		540,000	-	-
Deferred Revenue		481,870	-	-
Dividends Payable		981,600	155,000	135,000
Bond Interest Payable		19,000	-	-
<b>Total Current Liabilities</b>	<b>\$</b>	<b>3,183,720</b>	<b>\$ 640,000</b>	<b>\$ 738,000</b>
Non-Current Liabilities				
LT Notes Payable		1,332,000	1,250,000	1,250,000
Bonds Payable		1,000,000	-	-
Prem. On Bonds		20,750	-	-
<b>Total Non-Current Liabilities</b>	<b>\$</b>	<b>2,352,750</b>	<b>\$ 1,250,000</b>	<b>\$ 1,250,000</b>
<b>Total Liabilities</b>	<b>\$</b>	<b>5,536,470</b>	<b>\$ 1,890,000</b>	<b>\$ 1,988,000</b>
<b>Stockholders' Equity</b>				
Common Stock		1,062,500	1,000,000	1,000,000
Additional Paid-in-Capital		2,711,906	1,824,406	1,824,406
Treasury Stock		(520,000)	-	-
Contributed Capital		500,000	500,000	500,000
Retained Earnings		1,234,984	1,722,386	1,716,574
<b>Total Stockholders' Equity</b>	<b>\$</b>	<b>4,989,390</b>	<b>\$ 5,046,792</b>	<b>\$ 5,040,980</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$</b>	<b>10,525,860</b>	<b>\$ 6,936,792</b>	<b>\$ 7,028,980</b>

**MultiXiga2016**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2019**

<b>Net income</b>	\$ 494,198
<b>Operating Activities, Cash Flows Provided By or Used In</b>	
Adjustments to Net Income:	
Depreciation expense	580,600
Amortization	3,583
Unreal hold gain/loss	6,000
Changes in Current Assets/Current Liabilities	
Change in bond premium payable	20,750
Change in allowance for bad debt	178,660
Gain/Loss on sale of equipment	(1,080,000)
Change in deferred revenue	481,870
Change in inventory	255,050
Change in A/P	673,000
Change in wages payable	1,000
Change in Interest payable	2,250
Change in bond interest payable	19,000
Change in A/R	(1,242,163)
Change in office supplies	(200)
Change in interest receivable	(62,145)
Change in prepaid insurance	(200,667)
Change in prepaid advertising	(4,408)
Change in prepaid rent	(80,742)
<b>Net Cash Provided by/Used in Operating Activities</b>	<b>\$ 45,636</b>
<b>Investing Activities, Cash Flows Provided By or Used In</b>	
Purchase of land	(990,000)
Sale of land	2,000,000
Purchase of equipment	(240,000)
Sale of equipment	750,000
Purchase of office furniture	(93,000)
Purchase Patent	(86,000)
Purchase of investments	(44,000)
Change to LT receivable	-
<b>Net Cash Provided by/Used in Investing Activities</b>	<b>\$ 1,297,000</b>
<b>Financing Activities, Cash Flows Provided By or Used In</b>	
Cash from long-term notes payable	128,000
Cash paid on long-term notes payable	(46,000)
Cash from short-term notes payable	540,000
Cash paid on short-term notes payable	-
Cash from bond issuance	1,000,000
Cash from stock issuance	950,000
Dividends	(155,000)
Purchase treasury stock	(520,000)
<b>Net Cash Provided by/Used in Financing Activities</b>	<b>\$ 1,897,000</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>\$ 3,239,637</b>
<b>Cash and Cash Equivalents, 1/01/2019</b>	<b>\$ 525,710</b>
<b>Cash and Cash Equivalents, 12/31/2019</b>	<b>\$ 3,765,347</b>



**MultiXiga2016**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2018**

<b>Net income</b>	\$	160,812	
<b>Operating Activities, Cash Flows Provided By or Used In</b>			
Adjustments to Net Income:			
Depreciation expense		500,000	
Amortization		-	
Unreal hold gain/loss		-	
Changes in Current Assets/Current Liabilities			
Change in bond premium payable		-	
Change in allowance for bad debt		(80,000)	
Gain/Loss on sale of equipment		-	
Change in deferred revenue		-	
Change in inventory		(200,000)	
Change in A/P		(120,000)	
Change in wages payable		2,000	
Change in Interest payable		-	
Change in bond interest payable		-	
Change in A/R		70,000	
Change in office supplies		1,880	
Change in interest receivable		(2,102)	
Change in prepaid insurance		9,109	
Change in prepaid advertising		-	
Change in prepaid rent		5,932	186,819
<b>Net Cash Provided by/Used in Operating Activities</b>	<b>\$</b>		<b>347,631</b>
<b>Investing Activities, Cash Flows Provided By or Used In</b>			
Purchase of land		-	
Sale of land		-	
Purchase of equipment		-	
Sale of equipment		-	
Purchase of office furniture		-	
Purchase Patent		-	
Purchase of investments		(60,000)	
Change to LT receivable		(285,000)	
<b>Net Cash Provided by/Used in Investing Activities</b>	<b>\$</b>		<b>(345,000)</b>
<b>Financing Activities, Cash Flows Provided By or Used In</b>			
Cash from long-term notes payable		-	
Cash paid on long-term notes payable		-	
Cash to short-term notes payable		-	
Cash paid on short-term notes payable		-	
Cash from bond issuance		-	
Cash from stock issuance		-	
Dividends		(135,000)	
Purchase treasury stock		-	
<b>Net Cash Provided by/Used in Financing Activities</b>	<b>\$</b>		<b>(135,000)</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>\$</b>		<b>(132,369)</b>
<b>Cash and Cash Equivalents, 1/01/2018</b>	<b>\$</b>		<b>658,079</b>
<b>Cash and Cash Equivalents, 12/31/2018</b>	<b>\$</b>		<b>525,710</b>

Transaction	Date	Description	Debit	Credit	Calculations
1. On January 1st, The Board of Directors issued 250,000 additional shares (par of \$.25) to raise capital for the New Year. Assume no change in price from Dec 31, 2018.	1	1/1/2019 Cash	950,000.00		
	1	1/1/2019 Common Stock APIC		62,500.00	
	1	1/1/2019 Sale of 250,000 shares		887,500.00	
2. Purchased a truck for \$240,000 cash on the 1st of January. The truck will be depreciated over a 5 year period. You decide to use the 200% declining-balance depreciation method because it is determined that the truck will be more productive when it is newer. The truck has an estimated salvage value of \$22,000.[Adjusting Entry Required]	2	1/1/2019 Equipment	240,000.00		
	2	1/1/2019 Cash		240,000.00	
	2	1/1/2019 Purchase of Truck			
3. Purchased new office equipment for \$93,000 with cash from California Furniture on January 1, 2019. The new furniture will be depreciated over a ten-year period on a straight-line basis. The cabinet has an estimated salvage value of \$7,000. [Adjusting Entry Required]	3	1/1/2019 Office Furniture	93,000.00		
	3	1/1/2019 Cash		93,000.00	
	3	1/1/2019 Purchase of Cabinet			
4. On January 1st, a 5 year, \$128,000 long-term note payable was taken from a local bank.	4	1/1/2019 Cash	128,000.00		
	4	1/1/2019 LT Notes Payable		128,000.00	
	4	1/1/2019 Received 5 year note			
5. On January 5th you receive payment from interest earned and accrued in 2018.	5	1/5/2019 Cash	23,676.00		
	5	1/5/2019 Interest Receivable		23,676.00	
	5	1/5/2019 Received interest payment			
6. On January 22nd you purchased 8,500 additional units of inventory at a cost of \$78.50 per unit. You paid 45% in cash and purchased the remainder on account.	6	1/22/2019 Inventory	667,250.00		
	6	1/22/2019 Cash		300,262.50	
	6	1/22/2019 Accounts Payable		366,987.50	
	6	1/22/2019 Purchase of 8,500 units of inventory \$78.50 per unit			
7. On January 25th you pay \$219,000 cash toward your accounts payable.	7	1/25/2019 Accounts Payable	219,000.00		
	7	1/25/2019 Cash		219,000.00	
	7	1/25/2019 Paid accounts payable			
8. Paid cash for \$52,900 worth of radio advertising on February 1st. This gives you radio advertising space until January 31st, 2020.[Adjusting Entry Required]	8	2/1/2019 Prepaid Advertising	52,900.00		
	8	2/1/2019 Cash		52,900.00	
	8	2/1/2019 Paid for advertising space until 1/31/2020			
9. February 13th you collect \$366,000 of account payments from customers.	9	2/13/2019 Cash	366,000.00		
	9	2/13/2019 Accounts Receivable		366,000.00	
	9	2/13/2019 Collected payments from customers			
10. Purchased a parcel of land on March 1, 2019 for \$990,000 by paying \$450,000 in cash and signing a short-term note payable with the seller for \$540,000. You must repay the \$540,000 in exactly one year on March 1, 2020. You agree to pay the seller 5 percent interest (annual rate) on a quarterly basis (June 1, September 1, December 1, 2019, and March 1, 2020).[Adjusting Entry Required]	10	3/1/2019 Land	990,000.00		
	10	3/1/2019 Cash		450,000.00	
	10	3/1/2019 Short-Term Note Payable		540,000.00	
	10	3/1/2019 Purchase of Land			
11. On March 19th you purchased \$21,000 of office supplies from Super Office Supplies with cash.	11	3/19/2019 Office Supplies	21,000.00		
	11	3/19/2019 Cash		21,000.00	
	11	3/19/2019 Purchase of Office Supplies			

Transaction	Date	Description	Debit	Credit	Calculations
12. On March 20th you received a payment of \$62,000 for 200 hours of service to be performed in the future.	12 3/20/2019	Cash	62,000.00		
	12 3/20/2019	Deferred Revenue		62,000.00	
	12 3/20/2019	Customer Prepaid for 200 hours of Service \$310 per hour			
13. April 21st, your customers bought 15,000 units of your product for \$124 per unit (you decide what your company sells). The cost of this product is determined by the method of inventory valuation used by your company. Customers paid you 60% in cash and the remainder was on account.	13 4/21/2019	Cash	1,116,000.00		
	13 4/21/2019	Accounts Receivable	744,000.00		
	13 4/21/2019	Sales Revenue		1,860,000.00	
	13 4/21/2019	Cost of Goods Sold	1,154,750.00		
	13 4/21/2019	Inventory		1,154,750.00	
14. On April 27nd you purchased 9,250 units at a cost of \$77 per unit. You paid 55% in cash and purchased the remainder on account.	13 4/21/2019	Sold 15,000 units \$124 per unit			
	14 4/27/2019	Inventory	712,250.00		
	14 4/27/2019	Cash		391,737.50	
	14 4/27/2019	Accounts Payable		320,512.50	
15. On April 29th you pay \$483,000 cash toward your accounts payable.	14 4/27/2019	Purchased 9,250 units at \$77 per unit			
	15 4/29/2019	Accounts Payable	483,000.00		
	15 4/29/2019	Cash		483,000.00	
	15 4/29/2019	Paid on accounts payable			
16. On May 1st you pay all dividends owed to your owners.	16 5/1/2019	Dividends Payable	155,000.00		
	16 5/1/2019	Cash		155,000.00	
	16 5/1/2019	Paid dividends			
	16 5/1/2019				
17. Leased additional warehouse space from Leasing Solutions for two years on June 1st due to expiration of the previous rental contract. \$155,000 cash was paid for the new contract on this date which covers the rental fee for two years. There is no value left in the previous contract. [Adjusting Entry Required]	17 6/1/2019	Rent Expense	29,050.00		
	17 6/1/2019	Prepaid Rent		29,050.00	
	17 6/1/2019	Prepaid Rent	155,000.00		
	17 6/1/2019	Cash		155,000.00	
	17 6/1/2019	Prepaid lease for 2 years			
18. Wage expenses from January 1 – June 30 are \$502,000. Pay this in full including your beginning balance in wages payable.	18 6/30/2019	Wages Expense	502,000.00		
	18 6/30/2019	Wages Payable	35,000.00		
	18 6/30/2019	Cash		537,000.00	
	18 6/30/2019	Paid wage thru end of June			
19. On June 19th, \$133,000 of prepaid insurance was used.	19 6/19/2019	Insurance Expense	133,000.00		
	19 6/19/2019	Prepaid Insurance		133,000.00	
	19 6/19/2019	Used prepaid insurance			
20. On June 26th a customer that previously bought your product on account has filed for bankruptcy. He owed you \$49,500. You expect to collect \$0.	20 6/26/2019	Allowance for Bad Debt	49,500.00		
	20 6/26/2019	Accounts Receivable		49,500.00	
	20 6/26/2019	Customer filed for bankruptcy			
21. Your company issued 1,000, 3.8% bonds (face value of each bond is \$1,000) at 102.2873 on July 1st, 2019. The bonds are due on July 1, 2024, with interest payable each January 1 and July 1. The market rate at the time of the bond issuance was 3.3 Percent. Use the effective-interest method to calculate both the interest expense and the amortization of the bond discount when each interest payment is made. [Adjusting Entry Required]	21 7/1/2019	Cash	1,022,873.00		
	21 7/1/2019	Bond Payable		1,000,000.00	
	21 7/1/2019	Premium on Bond Payable		22,873.00	
	21 7/1/2019	Sold 1,000 bonds			

Transaction	Date	Description	Debit	Credit	Calculations
22. Purchased a Patent (Intangible Asset) for \$86,000 on August 1st. The patent will be amortized over a 10 year period on a straight-line basis.[Adjusting Entry Required]	22	8/1/2019 Patent	86,000.00		
	22	8/1/2019 Cash		86,000.00	
	22	8/1/2019 Purchased Patent			
23. On August 6th, a piece of land that was originally purchased for \$1,250,000 was sold for \$2,000,000 cash.	23	8/1/2019 Cash	2,000,000.00		
	23	8/1/2019 Land		1,250,000.00	
	23	8/1/2019 Gain on Sale		750,000.00	
	23	8/1/2019 Sold Land			
24. August 15th, your customers bought 9,000 units of your product at \$129 per unit. The cost of this product is determined by the method of inventory valuation used by your company. Customers paid you 60% in cash and the remainder was on account.	24	8/15/2019 Cash	696,600.00		
	24	8/15/2019 Accounts Receivable	464,400.00		
	24	8/15/2019 Cost of Goods Sold	693,000.00		
	24	8/15/2019 Inventory		693,000.00	
	24	8/15/2019 Sales Revenue		1,161,000.00	
	24	8/15/2019 Sold 9,000 units at \$129			
25. Received on August 25th a \$193,000 cash payment from a customer paying on their account.	25	8/25/2019 Cash	193,000.00		
	25	8/25/2019 Accounts Receivable		193,000.00	
	25	8/25/2019 Received Customer Payment			
26. \$44,000 cash was paid for an investment in Company X's marketable securities on September 3rd.	26	9/3/2019 Marketable Security	44,000.00		
	26	9/3/2019 Cash		44,000.00	
	26	9/3/2019 Purchased Investment in Company X			
27. On September 12th, a piece of equipment was sold for \$750,000 cash. The equipment was originally purchased for \$510,000. At the time of the sale, it had been depreciated by \$90,000.	27	9/12/2019 Cash	750,000.00		
	27	9/12/2019 Accumulated Depreciat	90,000.00		
	27	9/12/2019 Equipment		510,000.00	
	27	9/12/2019 Gain on Sale		330,000.00	
	27	9/12/2019 Sold Equipment			
28. Purchased and used \$9,600 worth of fuel for the delivery truck on September 18th.	28	9/18/2019 Fuel Expense	9,600.00		
	28	9/18/2019 Cash		9,600.00	
	28	9/18/2019 Purchased Fuel for Delivery Truck			
29. Your top sales officer met with a new customer to discuss a potential future contract. She informs you that the customer is considering signing the \$289,000 deal, which would become effective February 2020.	29	No JE			
30. On October 1st, you purchased 11,250 units at the increased price of \$82 per unit. The purchase was made on account.	30	10/1/2019 Inventory	922,500.00		
	30	10/1/2019 Accounts Payable		922,500.00	
	30	10/1/2019 Purchased 11,250 Units of Inventory			
31. On October 10th you paid your supplier \$235,000 cash for inventory purchased on account.	31	10/10/2019 Accounts Payable	235,000.00		
	31	10/10/2019 Cash		235,000.00	
	31	10/10/2019 Paid Supplier			
32. November 1st, the CEO, in an effort to adjust ratios, ordered the repurchasing of the company's own stock. The quantity of stock repurchased was 160,000 shares.	32	11/1/2019 Treasury Stock	520,000.00		
	32	11/1/2019 Cash		520,000.00	
	32	11/1/2019 Repurchased 160,000 Shares of Stock at \$3.25			

Transaction	Date	Description	Debit	Credit	Calculations
33. Purchased a two-year building insurance policy on November 1st for \$364,000 cash. [Adjusting Entry Required]	33 11/1/2019	Prepaid Insurance	364,000.00		
	33 11/1/2019	Cash		364,000.00	
	33 11/1/2019	Purchased 2 Year Insurance Policy			
34. On November 17th a customer pays you \$458,000 for work that you will finish in January of 2020.	34 11/17/2019	Cash	458,000.00		
	34 11/17/2019	Deferred Revenue		458,000.00	
	34 11/17/2019	Customer Prepaid			
35. November 19th, your customers bought 8,650 units of your product at \$135 per unit. The cost of this product is determined by the method of inventory valuation used by your company. Customers paid you 45% in cash and the remainder was on account.	35 11/19/2019	Cash	525,487.50		
	35 11/19/2019	Accounts Receivable	642,262.50		
	35 11/19/2019	Sales Revenue		1,167,750.00	
	35 11/19/2019	Cost of Goods Sold	709,300.00		
	35 11/19/2019	Inventory		709,300.00	
	35 11/19/2019	Sold 8,650 Units at \$135			
36. An employment contract is signed with a new regional manager. You have offered him \$160,000 per year. He will not begin working for the company until March 2020.	36	No JE			
37. Wages earned from July 1st through December 31st was \$536,000. Wages earned between Dec. 15th and Dec 31st amounting to \$36,000 was not paid this until Jan 7th.	37 12/31/2019	Wages Expense	536,000.00		
	37 12/31/2019	Wages Payable		36,000.00	
	37 12/31/2019	Cash		500,000.00	
	37 12/31/2019	Paid Wages from July 1st to Dec 15th			
38. At the end of the year, \$57,000 cash was paid to the local bank for the long-term note payable taken out on January 1, 2019. \$46,000 of this was applied to the loan principal. The remaining amount was the accumulated interest due for 2019.	38 12/31/2019	LT Notes Payable	46,000.00		
	38 12/31/2019	Interest Expense	11,000.00		
	38 12/31/2019	Cash		57,000.00	
	38 12/31/2019	Made Note Payment			
39. On December 31st, the marketable (trading) securities you purchased on September 3, 2019 transaction now has a fair market value of \$38,000.	39 12/31/2019	Unrealized Holding Gair	6,000.00		
	39 12/31/2019	Marketable Security		6,000.00	
	39 12/31/2019	Record Market Value on Security			
40. On December 31st, \$476,000 depreciation expense for the year was calculated for equipment purchased before January 1, 2019.	40 12/31/2019	Depreciation Expense	476,000.00		
	40 12/31/2019	Accumulated Depreciation (Equipmen		476,000.00	
	40 12/31/2019	Record Equipment Depreciation			
41. On December 31st, you declare dividends of \$.24 per share to be paid at a later date.	41 12/31/2019	Dividends	981,600.00		
	41 12/31/2019	Dividends Payable		981,600.00	
	41 12/31/2019	Dividends Declared			
42. On December 31st, the utility bill was paid for the year. The amount was \$62,000 and you paid in cash.	42 12/31/2019	Utilities Expense	62,000.00		
	42 12/31/2019	Cash		62,000.00	
	42 12/31/2019	Paid Utilities			
43. On December 31st, you pay in cash recurring interest on the long-term note acquired prior to the year 2017. HINT: See prior year financial statements.	43 12/31/2019	Interest Expense	56,250.00		
	43 12/31/2019	Cash		56,250.00	
	43 12/31/2019	Record Interest Paid			

Transaction			Date	Description	Debit	Credit	Calculations			
44. On December 31st, your company earned interest on the average 2019 cash balance which will be paid January 5th, 2020. The average interest rate for the year was 4.0%. Note: Compute the average cash using only the beginning and ending balance.	44		12/31/2019	Interest Receivable	85,821.13		Beginning ca	525,710.00	Average	2,145,528.25
	44		12/31/2019	Interest Income		85,821.13	Ending cash	3,765,346.50	Interest	0.04
	44		12/31/2019	Earned Interest on Cash Balance						85,821.13
45. By December 31st, 123 of the prepaid service hours from March 20, 2019 were completed.	45		12/31/2019	Deferred Revenue	38,130.00		200 Hrs.	62,000.00	123 Hrs.	\$ 38,130.00
	45		12/31/2019	Sales Revenue		38,130.00	Per Hr.	310.00		
	45		12/31/2019	Completed 123 Hours of Prepaid Service						
46. A count of office supplies indicated that \$20,800 of office supplies had been used by December 31st.	46		12/31/2019	Office Supply Expense	20,800.00					
	46		12/31/2019	Office Supplies		20,800.00				
	46		12/31/2019	Used Office Supplies			End A/R	1,697,125.50	Expt. Collect	\$ 1,493,470.44
47. Since the inception of your company, you have been able to collect 88% of your ending accounts receivable balance from customers that bought your product on account. Based on this information, adjust your allowance for bad debt account. NOTE: Use your 2019 ending accounts receivable balance to make this calculation.	47		12/31/2019	Bad Debt Expense	228,159.50		Collect Rate	88%	Expt. Default	\$ 203,655.06
	47		12/31/2019	Allowance for Bad Debt		228,159.50	Beginning AI	25,000.00	ADA Expense	\$ 49,500.00
	47		12/31/2019	Bad Debt Write Off			Before Adj.	\$ (24,500.00)	Adj. Total	\$ 228,155.06
2. Purchased a truck for \$240,000 cash on the 1st of January. The truck will be depreciated over a 5 year period. You decide to use the 200% declining-balance depreciation method because it is determined that the truck will be more productive when it is newer. The truck has an estimated salvage value of \$22,000. [Adjusting Entry Required]	Adj.	2	12/31/2019	Depreciation Expense	96,000.00		Double Decline			
	Adj.	2	12/31/2019	Accumulated Depreciation (Equipmen		96,000.00	Truck	240,000.00	One Year	96,000.00
	Adj.	2	12/31/2019	Record Depreciation			Dep. Years	5.00	Per Year	0.40
3. Purchased new office equipment for \$93,000 with cash from California Furniture on January 1, 2019. The new furniture will be depreciated over a ten-year period on a straight-line basis. The cabinet has an estimated salvage value of \$7,000. [Adjusting Entry Required]	Adj.	3	12/31/2019	Depreciation Expense	8,600.00		Straight-line			
	Adj.	3	12/31/2019	Accumulated Depreciation (Office)		8,600.00	Furniture	93,000.00	After Salv.	\$ 86,000.00
	Adj.	3	12/31/2019	Record Depreciation			Dep. Years	10.00	Per Year	\$ 8,600.00
8. Paid cash for \$52,900 worth of radio advertising on February 1st. This gives you radio advertising space until January 31st, 2020.[Adjusting Entry Required]	Adj.	8	12/31/2019	Advertising Expense	48,491.67					
	Adj.	8	12/31/2019	Prepaid Advertising		48,491.67	Ad. 12 m.	52,900.00		
	Adj.	8	12/31/2019	Record Used Advertising			Per Month	4,408.33		
10. Purchased a parcel of land on March 1, 2019 for \$990,000 by paying \$450,000 in cash and signing a short-term note payable with the seller for \$540,000. You must repay the \$540,000 in exactly one year on March 1, 2020. You agree to pay the seller 5 percent interest (annual rate) on a quarterly basis (June 1, September 1, December 1, 2019, and March 1, 2020). [Adjusting Entry Required]	Adj.	10	6/1/2019	Interest Expense	6,750.00		ST Note Prin	540,000.00	Monthly Int.	\$ 2,250.00
	Adj.	10	6/1/2019	Cash		6,750.00	Interest	5%	Quarterly Int.	\$ 6,750.00
	Adj.	10	6/1/2019	Interest Payment			Annual Int.	27,000.00		
	Adj.	10	9/1/2019	Interest Expense	6,750.00					
	Adj.	10	9/1/2019	Cash		6,750.00				
	Adj.	10	9/1/2019	Interest Payment						
	Adj.	10	12/1/2019	Interest Expense	6,750.00					
	Adj.	10	12/1/2019	Cash		6,750.00				
	Adj.	10	12/1/2019	Interest Payment						
17. Leased additional warehouse space from Leasing Solutions for two years on June 1st due to expiration of the previous rental contract. \$155,000 cash was paid for the new contract on this date which covers the rental fee for two years. There is no value left in the previous contract. [Adjusting Entry Required]	Adj.	10	12/31/2019	Interest Expense	2,250.00					
	Adj.	10	12/31/2019	Interest Payable		2,250.00				
	Adj.	10	12/31/2019	Record Accumulated Interest						
17. Leased additional warehouse space from Leasing Solutions for two years on June 1st due to expiration of the previous rental contract. \$155,000 cash was paid for the new contract on this date which covers the rental fee for two years. There is no value left in the previous contract. [Adjusting Entry Required]	Adj.	17	12/31/2019	Rent Expense	45,208.33		24 months	155,000.00	7 months	45,208.33
	Adj.	17	12/31/2019	Prepaid Rent		45,208.33	per month	6,458.33		
	Adj.	17	12/31/2019	Record Use of Prepaid Rent						

Transaction		Date	Description	Debit	Credit	Calculations
21. Your company issued 1,000, 3.8% bonds (face value of each bond is \$1,000) at 102.2873 on July 1st, 2019. The bonds are due on July 1, 2024, with interest payable each January 1 and July 1. The market rate at the time of the bond issuance was 3.3 Percent. Use the effective-interest method to calculate both the interest expense and the amortization of the bond discount when each interest payment is made. [Adjusting Entry Required]	Adj. 21	12/31/2019	Bond Interest Expense	16,877.40		See Bond Schedule
	Adj. 21	12/31/2019	Premium on Bonds Pay:	2,122.60		
	Adj. 21	12/31/2019	Bond Interest Payable		19,000.00	
	Adj. 21	12/31/2019	Record Accrued Interest			
22. Purchased a Patent (Intangible Asset) for \$86,000 on August 1st. The patent will be amortized over a 10 year period on a straight-line basis. [Adjusting Entry Required]	Adj. 22	12/31/2019	Amortization Expense	3,583.33		Straight-line Patent 86,000.00 Per Year \$ 8,600.00
	Adj. 22	12/31/2019	Patent		3,583.33	Amor. Years 10.00 Per Month \$ 716.67
	Adj. 22	12/31/2019	Record Amortization			5 Months \$ 3,583.33
33. Purchased a two-year building insurance policy on November 1st for \$364,000 cash. [Adjusting Entry Required]	Adj. 33	12/31/2019	Insurance Expense	30,333.33		Policy 24 Mo 364,000.00 2 Months \$ 30,333.33
	Adj. 33	12/31/2019	Prepaid Insurance		30,333.33	Per Month 15,166.67
	Adj. 33	12/31/2019	Record Use of Prepaid Insurance			

## Balance Sheet

Assets					
Current					
<b>Cash</b>		<b>3,239,637</b>	<b>Marketable Sec</b>		<b>38,000</b>
	<b>525,710</b>			<b>75,000</b>	
1/1/2019	950,000.00		9/3/2019	44,000.00	
1/1/2019		240,000.00	12/31/2019		6,000.00
1/1/2019		93,000.00		<b>113,000.00</b>	
1/1/2019	128,000.00		<b>A/R</b>		<b>1,242,163</b>
1/5/2019	23,676.00			<b>455,000</b>	
1/22/2019		300,262.50	2/13/2019		366,000.00
1/25/2019		219,000.00	4/21/2019	744,000.00	
2/1/2019		52,900.00	6/26/2019		49,500.00
2/13/2019	366,000.00		8/15/2019	464,400.00	
3/1/2019		450,000.00	8/25/2019		193,000.00
3/19/2019		21,000.00	11/19/2019	642,262.50	
3/20/2019	62,000.00			<b>1,697,162.50</b>	
4/21/2019	1,116,000.00		<b>Allowance for Bad Debt</b>		<b>178,660</b>
4/27/2019		391,737.50			<b>25,000</b>
4/29/2019		483,000.00	6/26/2019	49,500.00	
5/1/2019		155,000.00	12/31/2019		228,159.50
6/1/2019		155,000.00			<b>203,659.50</b>
6/1/2019		6,750.00	<b>Interest Receivable</b>		<b>62,145</b>
6/30/2019		537,000.00		<b>23,676</b>	
7/1/2019	1,022,873.00		1/5/2019		23,676.00
8/1/2019		86,000.00	12/31/2019	85,821.13	
8/1/2019	2,000,000.00			<b>85,821.13</b>	
8/15/2019	696,600.00		<b>Prepaid Advertising</b>		<b>4,408</b>
8/25/2019	193,000.00			<b>-</b>	
9/1/2019		6,750.00	2/1/2019	52,900.00	
9/3/2019		44,000.00	12/31/2019		48,491.67
9/12/2019	750,000.00			<b>4,408.33</b>	
9/18/2019		9,600.00	<b>Prepaid Insurance</b>		<b>200,667</b>
10/10/2019		235,000.00		<b>139,836</b>	
11/1/2019		520,000.00	6/19/2019		133,000.00
11/1/2019		364,000.00	11/1/2019	364,000.00	
11/17/2019	458,000.00		12/31/2019		30,333.33
11/19/2019	525,487.50			<b>340,502.67</b>	
12/1/2019		6,750.00	<b>Prepaid Rent</b>		<b>80,742</b>
12/31/2019		500,000.00		<b>29,050</b>	
12/31/2019		57,000.00	6/1/2019	155,000.00	
12/31/2019		62,000.00	6/1/2019		29,050.00
12/31/2019		56,250.00	12/31/2019		45,208.33
	<b>3,765,346.50</b>			<b>109,791.67</b>	
<b>Office Supplies</b>		<b>200</b>			
	<b>3,520</b>				
3/19/2019	21,000.00				
12/31/2019		20,800.00			
	<b>3,720.00</b>				
<b>Inventory</b>		<b>(255,050)</b>			
	<b>975,000</b>				
1/22/2019	667,250.00				
4/21/2019		1,154,750.00			
4/27/2019	712,250.00				
8/15/2019		693,000.00			
10/1/2019	922,500.00				
11/19/2019		709,300.00			
	<b>719,950.00</b>				



## Non-Current

**Office Furniture** **93,000**

	-	
1/1/2019	93,000.00	
	<b>93,000.00</b>	

**Equipment** **(270,000)**

	<b>5,000,000</b>	
1/1/2019	240,000.00	
9/12/2019		510,000.00
	<b>4,730,000.00</b>	

**LT Notes Receivable** **-**

	<b>285,000</b>	
	<b>285,000.00</b>	

**Patent** **82,417**

	-	
8/1/2019	86,000.00	
12/31/2019		3,583.33
	<b>82,416.67</b>	

**Accum Depreciation (Office)** **8,600**

12/31/2019		8,600.00
		<b>8,600.00</b>

**Accum Depreciation (Equipment)** **482,000**

		<b>2,000,000</b>
9/12/2019	90,000.00	
12/31/2019		476,000.00
12/31/2019		96,000.00
		<b>2,482,000.00</b>

**Land** **(260,000)**

	<b>1,450,000</b>	
3/1/2019	990,000.00	
8/1/2019		1,250,000.00
	<b>1,190,000.00</b>	

Liabilities					
<b>A/P</b>			<b>673,000</b>		
			450,000		
1/22/2019			366,987.50		
1/25/2019	219,000.00				
4/27/2019			320,512.50		
4/29/2019	483,000.00				
10/1/2019			922,500.00		
10/10/2019	235,000.00				
			1,123,000.00		
<b>Deferred Revenue</b>			<b>481,870</b>		
			-		
3/20/2019			62,000.00		
11/17/2019			458,000.00		
12/31/2019	38,130.00				
			481,870.00		
<b>Bonds Payable</b>			<b>1,000,000</b>		
			-		
7/1/2019			1,000,000.00		
			1,000,000.00		
<b>Dividends Payable</b>			<b>826,600</b>		
			155,000		
5/1/2019	155,000.00				
12/31/2019			981,600.00		
			981,600.00		
<b>Interest Payable</b>			<b>2,250</b>		
			-		
12/31/2019			2,250.00		
			2,250.00		
<b>Wages Payable</b>			<b>1,000</b>		
			35,000		
6/30/2019	35,000.00				
12/31/2019			36,000.00		
			36,000.00		
<b>ST Note Payable</b>			<b>540,000</b>		
			-		
3/1/2019			540,000.00		
			540,000.00		
<b>Disc. on Bonds Pay.</b>			<b>-</b>		
			-		
			-		
<b>LT Notes Payable</b>			<b>82,000</b>		
			1,250,000		
1/1/2019			128,000.00		
12/31/2019	46,000.00				
			1,332,000.00		
<b>Prem. on Bonds Pay.</b>			<b>20,750</b>		
			-		
7/1/2019			22,873.00		
12/31/2019	2,122.60				
			20,750.40		
<b>Bond Int. Payable</b>			<b>19,000</b>		
			-		
12/31/2019			19,000.00		
			19,000.00		
Stockholders Equity					
<b>Contributed Cap</b>			<b>-</b>		
			500,000		
			500,000.00		
<b>Common Stock</b>			<b>62,500</b>		
			1,000,000		
1/1/2019			62,500.00		
			1,062,500.00		
<b>Treasury Stock</b>			<b>520,000</b>		
			-		
11/1/2019	520,000.00				
			520,000.00		
<b>Retained Earnings</b>			<b>(487,402)</b>		
			1,722,386		
12/31/2019	981,600.00				
12/31/2019			494,197.57		
			1,234,983.57		
<b>APIC</b>			<b>887,500</b>		
			1,824,406		
1/1/2019			887,500		
			2,711,906.00		

Income Statement

<b>Revenue</b>	<b>4,226,880</b>	<b>COGS</b>	<b>2,557,050</b>
	-		-
4/21/2019	1,860,000.00	4/21/2019	1,154,750.00
8/15/2019	1,161,000.00	8/15/2019	693,000.00
11/19/2019	1,167,750.00	11/19/2019	709,300.00
12/31/2019	38,130.00		<b>2,557,050.00</b>
	<b>4,226,880.00</b>		
<b>Interest Income</b>	<b>85,821</b>	<b>Interest Expense</b>	<b>89,750</b>
	-		-
12/31/2019	85,821.13	6/1/2019	6,750.00
	<b>85,821.13</b>	9/1/2019	6,750.00
		12/1/2019	6,750.00
<b>Depreciation Expense</b>	<b>580,600</b>	12/31/2019	2,250.00
	-	12/31/2019	11,000.00
12/31/2019	96,000.00	12/31/2019	56,250.00
12/31/2019	8,600.00		<b>89,750.00</b>
12/31/2019	476,000.00		
	<b>580,600.00</b>	<b>Gain on Sale</b>	<b>1,080,000</b>
<b>Advertising Expense</b>	<b>48,492</b>		-
	-	8/1/2019	750,000.00
12/31/2019	48,491.67	9/12/2019	330,000.00
	<b>48,491.67</b>		<b>1,080,000.00</b>
<b>Fuel Expense</b>	<b>9,600</b>	<b>Utility Expense</b>	<b>62,000</b>
	-		-
9/18/2019	9,600.00	12/31/2019	62,000.00
	<b>9,600.00</b>		<b>62,000.00</b>
<b>Amortization Expense</b>	<b>3,583</b>	<b>Insurance Expense</b>	<b>163,333</b>
	-		-
12/31/2019	3,583.33	6/19/2019	133,000.00
	<b>3,583.33</b>	12/31/2019	30,333.33
<b>Wage Expense</b>	<b>1,038,000</b>		<b>163,333.33</b>
	-	<b>Office Supplies Exp</b>	<b>20,800</b>
6/30/2019	502,000.00		-
12/31/2019	536,000.00	12/31/2019	20,800.00
	<b>1,038,000.00</b>		<b>20,800.00</b>
<b>Bad Debt Expense</b>	<b>228,160</b>	<b>Rent Expense</b>	<b>74,258</b>
	-		-
12/31/2019	228,159.50	6/1/2019	29,050.00
	<b>228,159.50</b>	12/31/2019	45,208.33
<b>Unreal Hold Gain</b>	<b>(6,000)</b>		<b>74,258.33</b>
	-	<b>Bond Int. Expense</b>	<b>16,877</b>
12/31/2019	6,000.00		-
	<b>(6,000.00)</b>	12/31/2019	16,877.40
			<b>16,877.40</b>

**MultiXiga2016**  
**2019 Inventory Tracking**

LIFO Method	Transaction	Unit #s	Price Per Unit	Dollar Amount
	Beginning Inventory	13,000	\$ 75.00	\$ 975,000
Purchased 8,500				
1/22/2019	Purchased	8,500	\$ 78.50	\$ 667,250
	Remaining Inventory	13,000	\$ 75.00	\$ 975,000
	Remaining Inventory	8,500	\$ 78.50	\$ 667,250
	Total Inventory	21,500		\$ 1,642,250
Sold 15,000				
4/21/2019		8,500	\$ 78.50	\$ 667,250
		6,500	\$ 75.00	\$ 487,500
	Units Sold	15,000		\$ 1,154,750
	Total Inventory	6,500	\$ 75.00	\$ 487,500
Purchased 9,250				
4/21/2019	Purchased	9,250	\$ 77.00	\$ 712,250
	Remaining Inventory	6,500	\$ 75.00	\$ 487,500
	Remaining Inventory	9,250	\$ 77.00	\$ 712,250
	Total Inventory	15,750		\$ 1,199,750
Sold 9,000				
8/15/2019	Units Sold	9,000	\$ 77.00	\$ 693,000
	Remaining Inventory	6,500	\$ 75.00	\$ 487,500
	Remaining Inventory	250	\$ 77.00	\$ 19,250
	Total Inventory	6,750		\$ 506,750
Purchased 11,250				
10/1/2019	Purchased	11,250	\$ 82.00	\$ 922,500
	Remaining Inventory	6,500	\$ 75.00	\$ 487,500
	Remaining Inventory	250	\$ 77.00	\$ 19,250
	Remaining Inventory	11,250	\$ 82.00	\$ 922,500
	Total Inventory	18,000		\$ 1,429,250
Sold 8,650				
11/19/2019	Units Sold	8,650	\$ 82.00	\$ 709,300
	Remaining Inventory	6,500	\$ 75.00	\$ 487,500
	Remaining Inventory	250	\$ 77.00	\$ 19,250
	Remaining Inventory	2,600	\$ 82.00	\$ 213,200
	Total Inventory	9,350		\$ 719,950

Jan 1	Purchase of Truck	Original Cost	240,000							
		Salvage Value	22,000							
					Dep		Accum Dep	Book Value		
								\$	240,000	
				2019	0.4	\$ 96,000	\$ 96,000	\$	144,000	
	Double declining	5 years		2020	0.4	\$ 57,600	\$ 153,600	\$	86,400	
				2021	0.4	\$ 34,560	\$ 188,160	\$	51,840	
				2022	0.4	\$ 20,736	\$ 208,896	\$	31,104	
				2023		\$ 9,104	\$ 218,000	\$	22,000	
Jan 1	Purchase of Office Equipment	Original Cost	93,000							
		Salvage Value	7,000							
					Dep		Accum Dep	Book Value	Depreciable Amt	
								\$	93,000	\$ 86,000.00
				2019	0.1	\$ 8,600	\$ 8,600	\$	84,400	
	Straight line	10 years		2020	0.1	\$ 8,600	\$ 17,200	\$	75,800	
				2021	0.1	\$ 8,600	\$ 25,800	\$	67,200	
				2022	0.1	\$ 8,600	\$ 34,400	\$	58,600	
				2023	0.1	\$ 8,600	\$ 43,000	\$	50,000	
				2024	0.1	\$ 8,600	\$ 51,600	\$	41,400	
				2025	0.1	\$ 8,600	\$ 60,200	\$	32,800	
				2026	0.1	\$ 8,600	\$ 68,800	\$	24,200	
				2027	0.1	\$ 8,600	\$ 77,400	\$	15,600	
				2028	0.1	\$ 8,600	\$ 86,000	\$	7,000	
Aug 1	Purchase of Patent	Original cost	86,000							
		Residual value	-							
					Dep		Accum Dep	Book Value		
								\$	86,000	
				2019	0.1	\$ 8,600	\$ 8,600	\$	77,400	
	Straight line	10 years		2020	0.1	\$ 8,600	\$ 17,200	\$	68,800	
				2021	0.1	\$ 8,600	\$ 25,800	\$	60,200	
				2022	0.1	\$ 8,600	\$ 34,400	\$	51,600	
				2023	0.1	\$ 8,600	\$ 43,000	\$	43,000	
				2024	0.1	\$ 8,600	\$ 51,600	\$	34,400	
				2025	0.1	\$ 8,600	\$ 60,200	\$	25,800	
				2026	0.1	\$ 8,600	\$ 68,800	\$	17,200	
				2027	0.1	\$ 8,600	\$ 77,400	\$	8,600	
				2028	0.1	\$ 8,600	\$ 86,000	\$	-	

**MultiXiga2016**  
**Bond Amortization Schedule**

Bond Par	Interest	Market Interest	Bond Issued	Maturity
1,000	3.8%	3.3%	102.2873	5 years

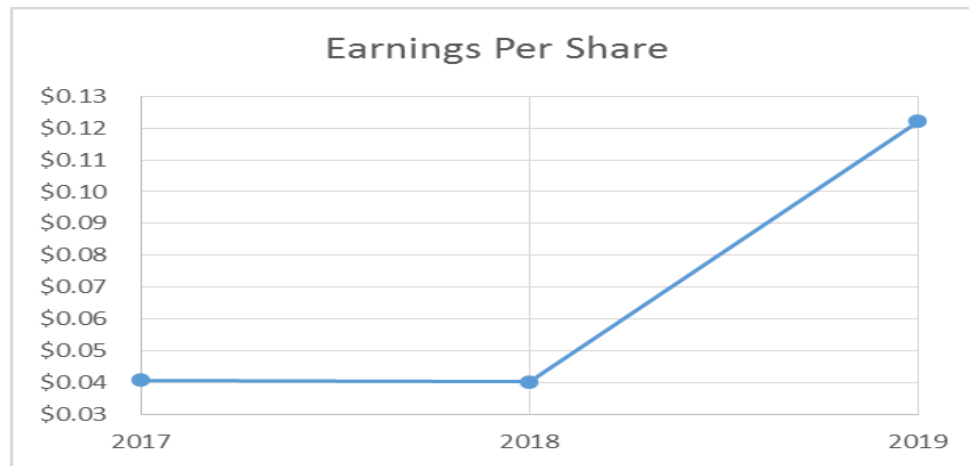
Date	Principle	Interest Payment	Interest Expense	Amortization	Premium	Carrying Value
7/1/2019	1,000,000				22,873	1,022,873
1/1/2020	1,000,000	19,000	16,877	2,123	20,750	1,020,750
7/1/2020	1,000,000	19,000	16,842	2,158	18,593	1,018,593
1/1/2021	1,000,000	19,000	16,807	2,193	16,400	1,016,400
7/1/2021	1,000,000	19,000	16,771	2,229	14,170	1,014,170
1/1/2022	1,000,000	19,000	16,734	2,266	11,904	1,011,904
7/1/2022	1,000,000	19,000	16,696	2,304	9,600	1,009,600
1/1/2023	1,000,000	19,000	16,658	2,342	7,259	1,007,259
7/1/2023	1,000,000	19,000	16,620	2,380	4,879	1,004,879
1/1/2024	1,000,000	19,000	16,580	2,420	2,459	1,002,459
7/1/2024	1,000,000	19,000	16,541	2,459	(0)	1,000,000

# Ratio Analysis

## MultiXiga2016 Ratio Analysis

### Earning per Share

	2019	2018	2017
Net Income	\$ 494,197.57	\$ 160,812.00	\$ 163,147.00
Divided by Average Shares	\$ 4,045,000.00	\$ 4,000,000.00	\$ 4,000,000.00
	\$ 0.12	\$ 0.04	\$ 0.04



Earnings Per Share: (This is in regards to the Common stock only and excludes Preferred stock.) It tells us how much revenue from sales of our product is left after the costs of doing business are subtracted; this number is then divided by the number of Common shares owned by investors. It is one way to show how much value is being created for investors and owners.



## MultiXiga2016 Ratio Analysis

### Price-earnings Ratio

	2019		2018		2017
Price per Share	\$	5.00	\$	3.80	\$ 2.90
Divided Earnings per Share	\$	0.12	\$	0.04	\$ 0.04
		<b>0.60</b>		<b>0.15</b>	<b>0.12</b>



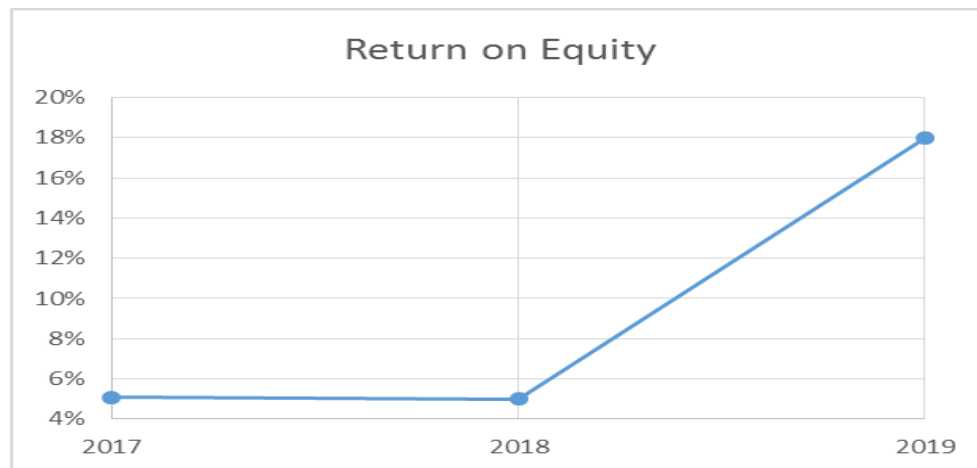
Price-earnings Ratio: This tells us how much value is being created in relation to the price of the stock. It shows whether this investment is paying off for the investor.

## MultiXiga2016 Ratio Analysis

### Return on Equity

	2019	2018	2017
Net Income	\$ 494,197.57	\$ 160,812.00	\$ 163,147.00
Divided by Average Equity	\$ 2,749,934.79	\$ 3,219,480.00	\$ 3,216,574.00
	<b>0.18</b>	<b>0.05</b>	<b>0.05</b>
<b>Average Equity</b>			
Beginning Equity	\$ 5,046,792.00	\$ 5,040,980.00	
Minus Beginning APIC	\$ 1,824,406.00	\$ 1,824,406.00	
Beginning Subtotal	\$ 3,222,386.00	\$ 3,216,574.00	
Ending Equity	\$ 4,989,389.57	\$ 5,046,792.00	\$ 5,040,980.00
Minus Ending APIC	\$ 2,711,906.00	\$ 1,824,406.00	\$ 1,824,406.00
Ending Subtotal	\$ 2,277,483.57	\$ 3,222,386.00	\$ 3,216,574.00
Beginning Subtotal	\$ 3,222,386.00	\$ 3,216,574.00	
Plus Ending Subtotal	\$ 2,277,483.57	\$ 3,222,386.00	
Equity Subtotal	\$ 5,499,869.57	\$ 6,438,960.00	
Divided by 2	\$ 2,749,934.79	\$ 3,219,480.00	\$ 3,216,574.00

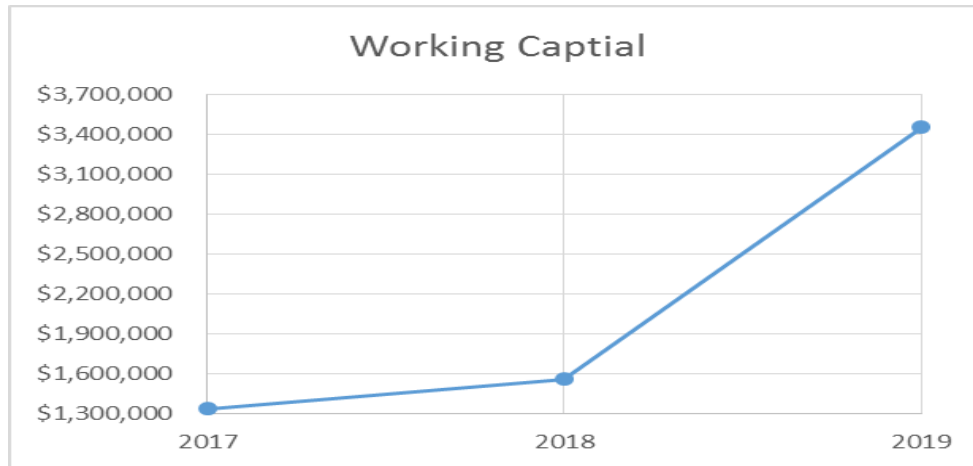
Return on Equity: This tells us whether the company is using the investors' and owners' contributions to earn profits (which may or may not be returned to investors).



## MultiXiga2016 Ratio Analysis

### Working Capital

	2019	2018	2017
Current Assets	\$ 6,636,043.30	\$ 2,201,792.00	\$ 2,078,980.00
Minus Current Liabilities	\$ 3,183,720.00	\$ 640,000.00	\$ 738,000.00
	<b>\$ 3,452,323.30</b>	<b>\$ 1,561,792.00</b>	<b>\$ 1,340,980.00</b>

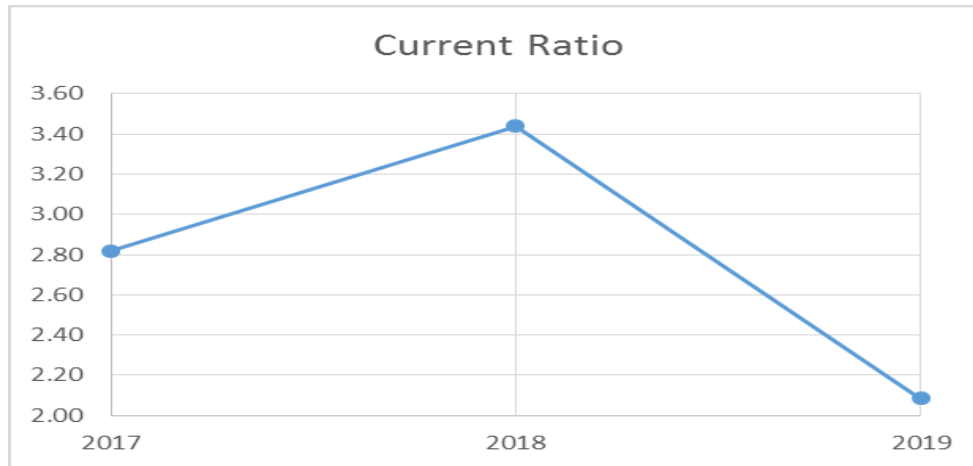


Working Capital: This tells us, simply, how much stuff the company has that can be turned into cash in the next twelve months, that is in excess of what they owe in the next twelve months.

## MultiXiga2016 Ratio Analysis

### Current Ratio

	2019	2018	2017
Current Assets	\$ 6,636,043.30	\$ 2,201,792.00	\$ 2,078,980.00
Divided by Current Liabilities	\$ 3,183,720.00	\$ 640,000.00	\$ 738,000.00
	<b>2.08</b>	<b>3.44</b>	<b>2.82</b>

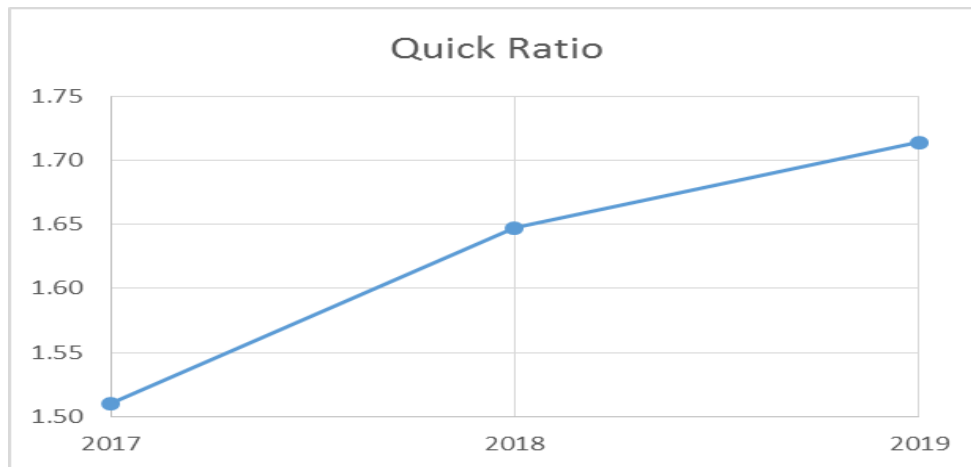


Current Ratio: This tells us how much stuff the company has that can be turned into cash in the next twelve months compared to what they owe in the next twelve months. It lets us know, in very high-level and simplistic terms, whether the company can pay its short-term bills with the stuff it has that can or will be turned to cash in the next twelve months.

## MultiXiga2016 Ratio Analysis

### Quick Ratio

	2019	2018	2017
Cash	\$ 3,765,346.50	\$ 525,710.00	\$ 658,079.00
Plus Short Term Investments	\$ 113,000.00	\$ 75,000.00	\$ 15,000.00
Plus Receivables	\$ 1,579,324.13	\$ 453,676.00	\$ 441,574.00
subtotal	\$ 5,457,670.63	\$ 1,054,386.00	\$ 1,114,653.00
Divided by Current Liabilities	\$ 3,183,720.00	\$ 640,000.00	\$ 738,000.00
	<b>1.71</b>	<b>1.65</b>	<b>1.51</b>

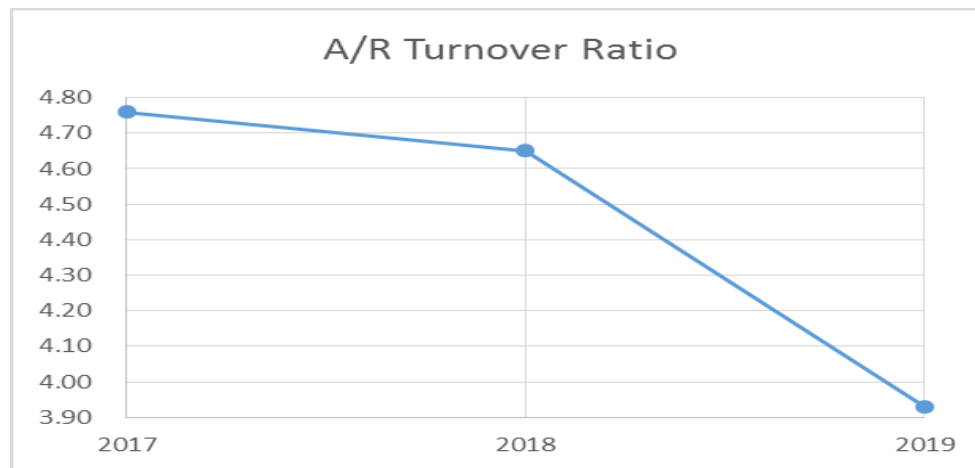


Quick Ratio: This is similar to the Current Ratio, but it removes the company's inventory from the calculation. So only cash, short term investments (such as stocks owned in an outside company) and accounts receivable are considered in comparison to the short term bills.

## MultiXiga2016 Ratio Analysis

### A/R Turnover

	2019	2018	2017
Net Sales	\$ 4,226,880.00	\$ 2,280,000.00	\$ 2,500,000.00
Divided by Average A/R	\$ 1,076,081.00	\$ 490,000.00	\$ 525,000.00
	<b>3.93</b>	<b>4.65</b>	<b>4.76</b>
<i>Average A/R</i>			
Beginning A/R	\$ 455,000.00	\$ 525,000.00	
Ending A/R	\$ 1,697,162.50	\$ 455,000.00	\$ 525,000.00
subtotal	\$ 2,152,162.50	\$ 980,000.00	
Divided by 2	\$ 1,076,081.25	\$ 490,000.00	\$ 525,000.00

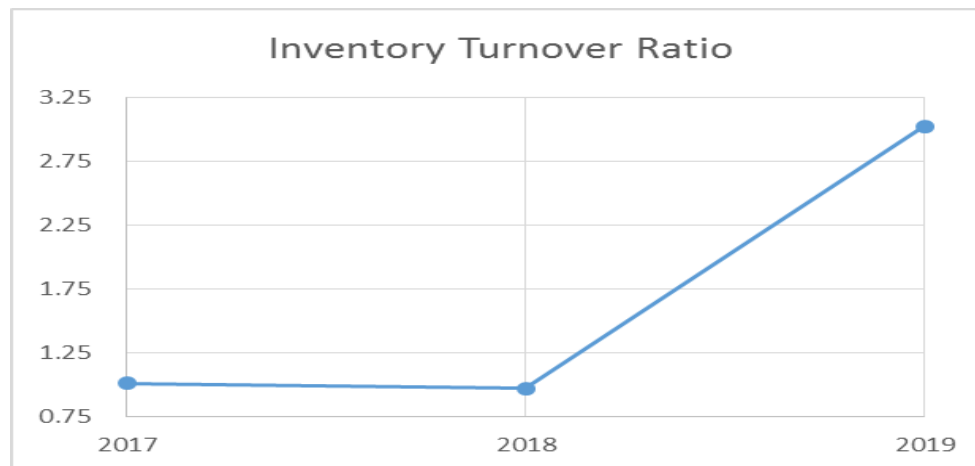


Accounts Receivable Turnover: This tells us how quickly or efficiently the company is collecting on the amounts that its customers owe for the product or service the company provides.

## MultiXiga2016 Ratio Analysis

### Inventory Turnover Ratio

	2019	2018	2017
COGS	\$ 2,557,050.00	\$ 850,000.00	\$ 780,000.00
Divided by Average Inventory	\$ 847,475.00	\$ 875,000.00	\$ 775,000.00
	<b>3.02</b>	<b>0.97</b>	<b>1.01</b>
<i>Average Inventory</i>			
Beginning Inventory	\$ 975,000.00	\$ 775,000.00	
Ending Inventory	\$ 719,950.00	\$ 975,000.00	\$ 775,000.00
Subtotal	\$ 1,694,950.00	\$ 1,750,000.00	
Divided by 2	\$ 847,475.00	\$ 875,000.00	\$ 775,000.00

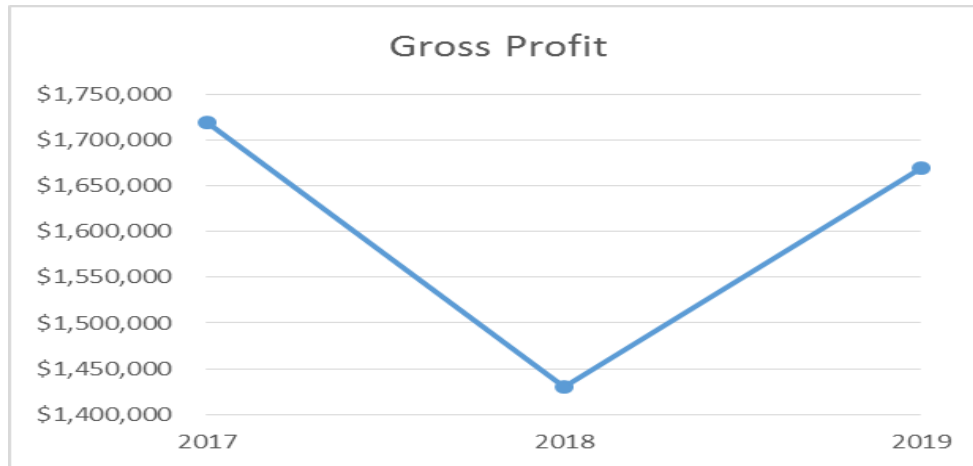


Inventory Turnover: This tells us how quickly the company is selling its product. If the company has produced too much, is not making the appropriate efforts to sell the product, or the product is becoming less desirable, the number will be lower.

## MultiXiga2016 Ratio Analysis

### Gross Profit

	2019	2018	2017
Net Sales	\$ 4,226,880.00	\$ 2,280,000.00	\$ 2,500,000.00
Minus COGS	\$ 2,557,050.00	\$ 850,000.00	\$ 780,000.00
	\$ 1,669,830.00	\$ 1,430,000.00	\$ 1,720,000.00



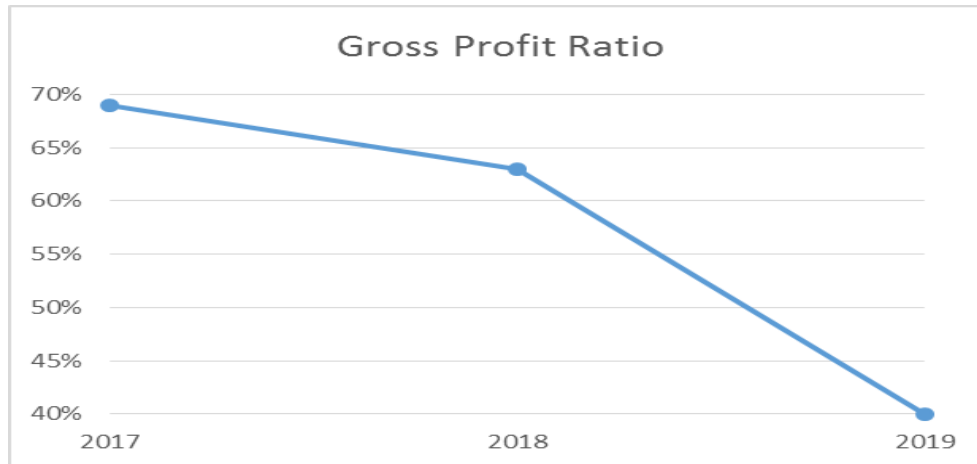
Gross Profit: This tells us how much money is left over from the sale of a product or service, once the cost of producing or providing it is subtracted.



## MultiXiga2016 Ratio Analysis

### Gross Profit Ratio

	2019	2018	2017
Gross Profit	\$ 1,669,830.00	\$ 1,430,000.00	\$ 1,720,000.00
Divided by Net Sales	<u>\$ 4,226,880.00</u>	<u>\$ 2,280,000.00</u>	<u>\$ 2,500,000.00</u>
	40%	63%	69%

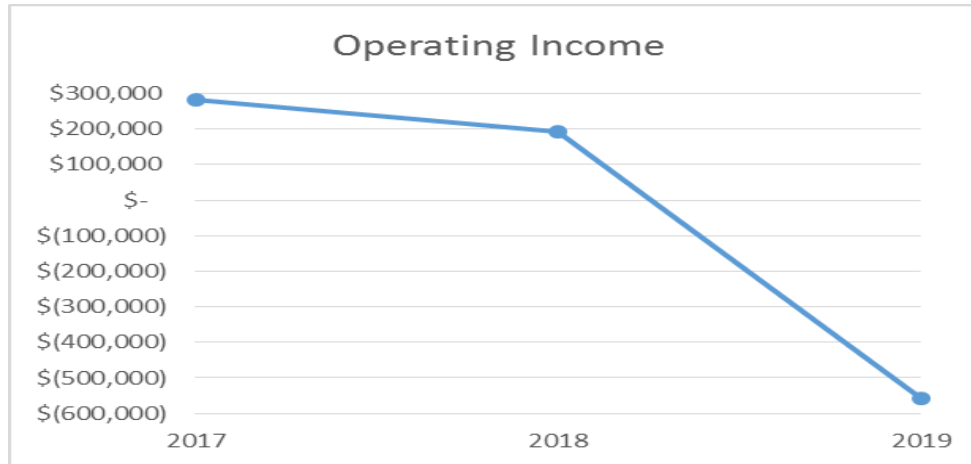


Gross Profit Ratio: This tells us what percentage of each dollar of sales is left over to pay for other things for the company, or to return to investors and owners.

## MultiXiga2016 Ratio Analysis

### Operating Income

2019	2018	2017
\$ (558,996.00)	\$ 193,386.00	\$ 282,923.00

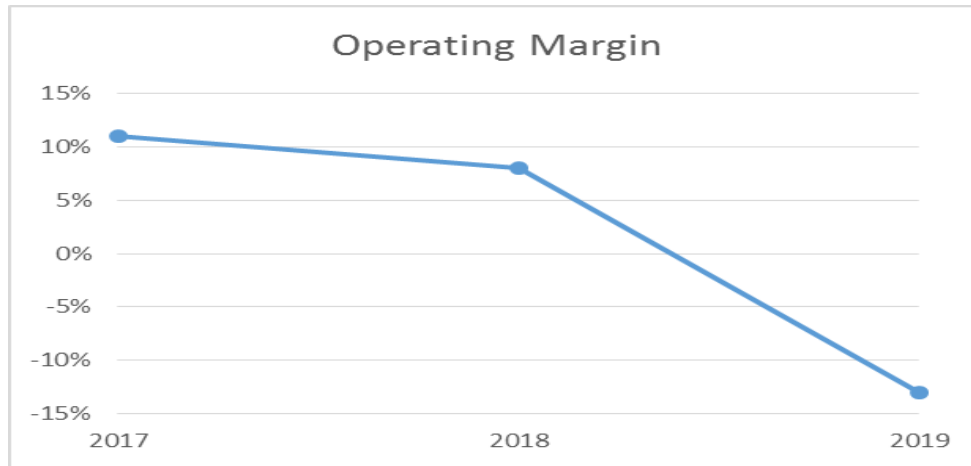


Operating Income: This takes the Gross Profit number and reduces it further by what it cost to sell the product or service and other administrative costs that were not directly related to the product or service. This number is before the company pays taxes or interest.

## MultiXiga2016 Ratio Analysis

### Operating Margin

	2019	2018	2017
Operating Income	\$ (558,996.00)	\$ 193,386.00	\$ 282,923.00
Divided by Net Sales	<u>\$ 4,226,880.00</u>	<u>\$ 2,280,000.00</u>	<u>\$ 2,500,000.00</u>
	-13%	8%	11%

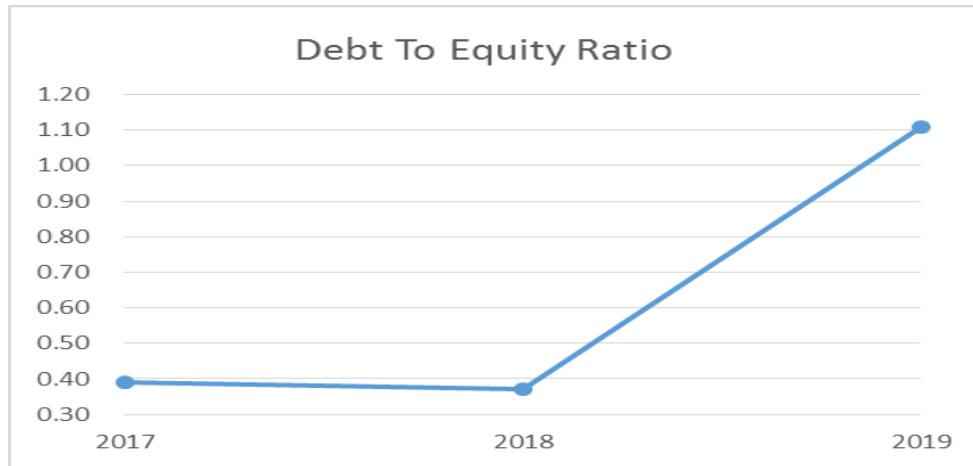


Operating Margin: This tells us how well the company's core business is doing, in comparison to how much the company made from sales of its product or service.

## MultiXiga2016 Ratio Analysis

### Debt to Equity Ratio

	2019	2018	2017
Liabilities	\$ 5,536,470.00	\$ 1,890,000.00	\$ 1,988,000.00
Divided by Equity	\$ 4,989,390.00	\$ 5,046,792.00	\$ 5,040,980.00
	<b>1.11</b>	<b>0.37</b>	<b>0.39</b>

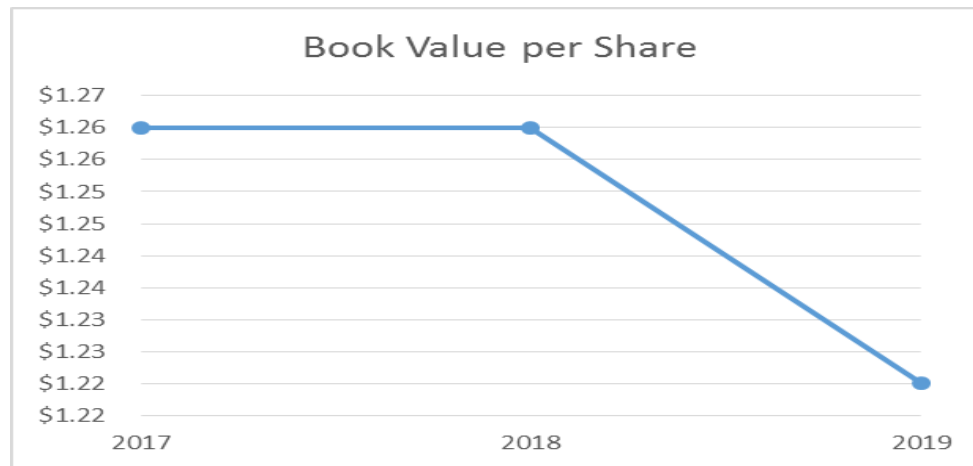


Debt-to-Equity Ratio: This tells us how much the company owes to others compared to how much value remains in the company for owners and investors.

## MultiXiga2016 Ratio Analysis

### Book Value per Share

	2019	2018	2017
Equity	\$ 4,989,390.00	\$ 5,046,792.00	\$ 5,040,980.00
Divided by Common Shares	\$ 4,090,000.00	\$ 4,000,000.00	\$ 4,000,000.00
	\$ 1.22	\$ 1.26	\$ 1.26



Book Value Per Share: This tells us the value of the company, per share. It takes what the company has, subtracts what the company owes, and divides it by the number of outstanding shares. It lets investors know whether they are receiving value for their investment.