Cango: balance sheet and ratio

BUSN460 Individual Financial Analysis Project Student Name: Instructions: Go to the CanGo intranet found in the Report Guide tab under Course Home Use the financial statements from the most recent year to fill in the table below. You may find some formulae calling for an average, e. g. , average inventory, average receivables. Because we only have the Balance sheet for one year, you can only use the one year number not an average. Assume interest expense is $0. 00 Be sure to cite your references Green boxes to be filled in by instructor

RatioFormula (express the ratio in words)Detailed calculation (actual numbers from financial statements used for the calculation)Final number (final result of the detailed calculation)Explanation of why ratio is importantEarned points (up to 3 points per " box"/cell)Instructor feedback Example: Term A/Term B (Term A divided by Term B)1000 / 20000. 5This is the explanation of the role of this ratio and why it is important3 Efficiency Ratio: Receivables TurnoverNet Sales ? Accounts Receivable50, 000, 000 ? 33, 000, 0001. 2This ratio shows the company how quickly accounts receivable are paid. A high turnover generally means more cash on hand for the company. Grade for above0. 0 Efficiency Ratio: Inventory TurnoverCost of Goods Sold ? Average Inventory9, 000, 000 ? 32, 000, 0000. 28This ratio shows how often the inventory sells and needs to be restocked which is important in determining accurate merchandising scheduling and helps prevent under or overstocking of the product. Grade for above0. 0 Financial Leverage Ratio: Debt/Equity RatioTotal Liabilities ?

Shareholders Equity94, 900, 000 ? 141, 000, 0000. 67This ratio shows how financially stable a company is. It shows the relationship between the invested capital and the credit available. The final number will show if the company is poised to grow or is underachieving. Grade for above0. 0 Liquidity Ratio: Current RatioCurrent Assets ? Current Liabilities235, 900, 000 ? 37, 500, 0006. 2907 This ratio shows if a company is in a good position to repay its debts using only its current assets. Grade for above0. 0 Liquidity Ratio: Quick RatioCurrent Assets - Inventories ?

Current Liabilities203, 900, 000 ? 37, 500, 0005. 4373This ratio shows if a business can repay its debts using only its liquid assets without having to use its inventory. Grade for above0. 0 Liquidity: Working CapitalCurrent Assets - Current Liabilities235, 900, 000 - 37, 500, 000198, 400, 000This number shows if a company would be able to pay off its short term liabilities using its current assets. This can indicate a company's financial strength. Grade for above0. 0 Profitability Ratio: Return on AssetsNet Income ? Total Assets5, 486, 000 ? 235, 900, 000. 0233 (2. %)This ratio shows the efficiency of a company. The number shows how effectively the company uses its assets to generate a return. Grade for above0. 0 Profitability Ratio: Return on SalesNet Income (Before Interest and Tax) ? Sales8, 440, 000 ? 50, 000, 0000. 1688This ratio determines how much profit is being generated per dollar of sales. It can be used over time to look at trends as well as compare different compaanies within an industry. Grade for above0. 0 Total Earned Points0. 0 Reference http://www. investopedia. com http://www. missouribusiness. net