BTE 302

TEST 1

Name:

CMR 302

Test I

**Answer the Following**

1. What are the five accounting classifications?
2. What accounting classifications are displayed on the Balance Sheet?
3. Give two examples of a Current Asset
4. What type of an asset is the account Patent?
5. What is the definition of non-current asset?
6. Classify the account Notes Payable (90 days).
7. How do you calculate Gross Profit
8. How do you calculate Operating Income?
9. List an example of a non-operating income.
10. What classification is the account Retained Earnings?

**Circle the Correct Answer. SHOW YOUR WORK Where Required**

1. Gilbert, Inc. had the following account balances at September 30, 2010. What is Gilbert's net income for the month of September?

Cost of Sales 10,000

Cash 14,300

Equipment 15,400

Fees Earned 54,400

Miscellaneous Expense 18,200

Rent Expense 2,000

Retained Earnings 6,550

Wages Expense 13,900

1. $32,450
2. $10,300 SHOW YOUR WORK
3. $20,300
4. $1 8, 1 50
5. Sales = $10,000, Cost of Sales = $4,000, Operating Expenses = $ 1,000, Other Expenses = $ 2,000. What is the Gross Profit?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ SHOW YOUR WORK

1. NBC Company had $32,000 in net sales, $15,000 in cost of merchandise sold, $18,000 in operating expenses, and $2,000 in other income. What is NBC Company's operating profit?
2. $17,000
3. $3,000 SHOW YOUR WORK
4. $1,000
5. ($1, 000)
6. Expenses that CANNOT be traced directly to operations are identified as
7. Other income.
8. Operating expenses.
9. Cost of goods sold.
10. Other expenses.
11. On the Statement of Cash Flows, where is the purchase of property, plant and equipment recorded?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. On the Statement of Cash Flows, where are dividends recorded?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Assets = $ 13,000 Equity = $ 4,000 Liabilities = \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. Liabilities = 4,000 Assets = $ 8,000 Equity = \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**The Economy (Fill-In)**

1. Which indicator is the best indicator of consumer inflation?
2. Which indicator measures employee hourly wages?
3. Which indicator is a leading indicator of economic growth
4. What can an increase in inventories mean?
5. Which economic theory believes that the government should intervene during a fiscal crisis?

**Domino's Pizza (Fill-In)**

Use the Domino's Pizza Statement of Cash Flows listed below to answer the following questions.

Omit trailing zeros when entering data. Use brackets ( ) to indicate cash used in the statement.

1. 2012 Cash Flow from Operations
2. 2013 Cash Flow from Investing
3. 2014 Cash Flow from Financing
4. What was the primary Investing activity and the amount for 2013?
5. What was the primary Financing activity and the amount for 2012?
6. The company borrowed funds in 2013 T F
7. The company paid dividends in 2012 T F
8. The company had a positive cash flow from Financing in 2013: T F
9. What was the highest amount borrowed over the three year period?

Domino's Pizza, Inc. (DPZ)

110.77 1.05(0.94%)

|  |  |  |  |
| --- | --- | --- | --- |
| **Period Ending** | **Dec 28, 2014** | **Dec 29, 2013** | **Dec 30, 2012** |
| Net Income | 162,587 | 142,985 | 112,392 |
| **Operating Activities, Cash Flows Provided By or Used In** |
| Depreciation | 41,534 | 31,677 | 37,767 |
| Adjustments To Net Income | (11,805) | 7,654 | 6,065 |
| Changes In Accounts Receivables | (12,710) | (11,001) | (6,917) |
| Changes In Liabilities | 24,560 | 22,716 | 27,716 |
| Changes In Inventories | (11,627) | (242) | (703) |
| Changes In Other Operating Activities | -- | -- | -- |
| Total Cash Flow From Operating Activities | 192,339 | 193,989 | 176,320 |
| **Investing Activities, Cash Flows Provided By or Used In**  |
| Capital Expenditures | (70,093) | (40,387) | (29,267) |
| Investments | -- | -- | -- |
| Other Cash flows from Investing Activities | 12,650 | (59,346) | 36,615 |
| Total Cash Flows From Investing Activities | (57,443) | (99,733) | 7,348 |
| **Financing Activities, Cash Flows Provided By or Used In**  |
| Dividends Paid | (52,643) | (34,241) | (185,464) |
| Sale Purchase of Stock | (73,379) | (87,681) | (79,293) |
| Net Borrowings | (12,332) | (24,349) | 109,491 |
| Other Cash Flows from Financing Activities | 19,656 | 11,467 | 10,375 |
| Total Cash Flows From Financing Activities | (118,898) | (134,804) | (177,449) |
| Effect Of Exchange Rate Changes | 474 | 118 | (1,698) |
| Change In Cash and Cash Equivalents | 16,472 | (40,430) | 4,521 |

Using the financial statements listed below, complete the following:

Omit trailing zeros when entering data.

1. Total Revenue for 2016 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. Net Income (Loss) for 2017 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. Current Assets for 2015 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
4. Total Liabilities for 2017 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
5. Cash Flow from Operations 2016 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
6. Stockholder’s Equity for 2015 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
7. Inventory for 2016 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
8. Primary Financing Activity (Stmt of Cash Flows) for 2017 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
9. Net Income from Continuing Operations for 2015 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
10. Accounts Payable for 2015 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
11. Total Assets for 2016 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
12. Cash flow from Investing 2015 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
13. Cost of Revenue 2017 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
14. Gross Profit 2015 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
15. Retained Earnings 2016 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
16. Primary Operating Activity (Stmt of Cash Flows) for 2016 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
17. Selling, General and Administrative Expenses for 2015 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
18. Income Tax Expense 2017 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |  |  |
| --- | --- | --- | --- |
| **Income Statement** |  |  |  |
| All numbers in thousands |  |  |  |
| Revenue | ‎12‎/‎31‎/‎2017 | ‎12‎/‎31‎/‎2016 | ‎12‎/‎31‎/‎2015 |
| Total Revenue | 40,653,000 | 27,638,000 | 17,928,000 |
| Cost of Revenue | 5,454,000 | 3,789,000 | 2,867,000 |
| Gross Profit | 35,199,000 | 23,849,000 | 15,061,000 |
| Operating Expenses |
| Research Development | 7,754,000 | 5,919,000 | 4,816,000 |
| Selling General and Administrative | 7,242,000 | 5,503,000 | 4,020,000 |
| Operating Income or Loss | 20,203,000 | 12,427,000 | 6,225,000 |
| Income from Continuing Operations |
| Earnings Before Interest and Taxes | 20,594,000 | 12,518,000 | 6,194,000 |
| Income Before Tax | 20,594,000 | 12,518,000 | 6,194,000 |
| Income Tax Expense | 4,660,000 | 2,301,000 | 2,506,000 |
| Net Income From Continuing Ops | 15,920,000 | 10,188,000 | 3,669,000 |
| Net Income | 15,920,000 | 10,188,000 | 3,669,000 |

|  |  |  |  |
| --- | --- | --- | --- |
| **Balance Sheet** |  |  |  |
| All numbers in thousands |  |  |  |
| Period Ending | ‎12‎/‎31‎/‎2017 | ‎12‎/‎31‎/‎2016 | ‎12‎/‎31‎/‎2015 |
| Current Assets |
| Cash And Cash Equivalents | 8,079,000 | 8,903,000 | 4,907,000 |
| Short Term Investments | 33,632,000 | 20,546,000 | 13,527,000 |
| Net Receivables | 5,832,000 | 3,993,000 | 2,559,000 |
| Inventory | - | - | - |
| Other Current Assets | 1,020,000 | 959,000 | 659,000 |
| Total Current Assets | 48,563,000 | 34,401,000 | 21,652,000 |
| Long Term Investments | - | - | - |
| Property Plant and Equipment | 13,721,000 | 8,591,000 | 5,687,000 |
| Goodwill | 18,221,000 | 18,122,000 | 18,026,000 |
| Intangible Assets | 1,884,000 | 2,535,000 | 3,246,000 |
| Accumulated Amortization | - | - | - |
| Other Assets | 2,135,000 | 1,312,000 | 796,000 |
| Deferred Long Term Asset Charges | - | - | - |
| Total Assets | 84,524,000 | 64,961,000 | 49,407,000 |
| Current Liabilities |
| Accounts Payable | 3,272,000 | 2,505,000 | 1,645,000 |
| Short/Current Long Term Debt | 390,000 | 280,000 | 224,000 |
| Other Current Liabilities | 98,000 | 90,000 | 56,000 |
| Total Current Liabilities | 3,760,000 | 2,875,000 | 1,925,000 |
| Long Term Debt | - | - | 107,000 |
| Other Liabilities | 6,417,000 | 2,892,000 | 3,157,000 |
| Deferred Long Term Liability Charges | - | - | - |
| Minority Interest | - | - | - |
| Negative Goodwill | - | - | - |
| Total Liabilities | 10,177,000 | 5,767,000 | 5,189,000 |
| Stockholders' Equity |
| Misc. Stocks Options Warrants | - | - | - |
| Redeemable Preferred Stock | - | - | - |
| Preferred Stock | - | - | - |
| Common Stock | - | - | - |
| Retained Earnings | 33,990,000 | 21,670,000 | 9,787,000 |
| Treasury Stock | - | - | - |
| Capital Surplus | 40,584,000 | 38,227,000 | 34,886,000 |
| Other Stockholder Equity | -227,000 | -703,000 | -455,000 |
| Total Stockholder Equity | 74,347,000 | 59,194,000 | 44,218,000 |

|  |  |  |  |
| --- | --- | --- | --- |
| **Cash Flow** |  |  |  |
| All numbers in thousands |  |  |  |
| Period Ending | ‎12‎/‎31‎/‎2017 | ‎12‎/‎31‎/‎2016 | ‎12‎/‎31‎/‎2015 |
| Net Income | 15,920,000 | 10,188,000 | 3,669,000 |
| Operating Activities, Cash Flows Provided By or Used In |  |  |  |
| Depreciation | 3,025,000 | 2,342,000 | 1,945,000 |
| Adjustments To Net Income | 3,370,000 | 2,791,000 | 3,903,000 |
| Changes In Accounts Receivables | -1,609,000 | -1,489,000 | -973,000 |
| Changes In Liabilities | 3,534,000 | 2,392,000 | 1,904,000 |
| Changes In Inventories | - | - | - |
| Changes In Other Operating Activities | -38,000 | -145,000 | -147,000 |
| Total Cash Flow From Operating Activities | 24,216,000 | 16,108,000 | 10,320,000 |
| Investing Activities, Cash Flows Provided By or Used In |  |  |  |
| Capital Expenditures | -6,733,000 | -4,491,000 | -2,523,000 |
| Investments | -13,250,000 | -7,186,000 | -6,700,000 |
| Other Cash flows from Investing Activities | -55,000 | -62,000 | -211,000 |
| Total Cash Flows From Investing Activities | -20,038,000 | -11,739,000 | -9,434,000 |
| Financing Activities, Cash Flows Provided By or Used In |  |  |  |
| Dividends Paid | - | - | - |
| Sale Purchase of Stock | -1,976,000 | -1,976,000 | -1,976,000 |
| Net Borrowings | - | -312,000 | -119,000 |
| Other Cash Flows from Financing Activities | -3,259,000 | 2,000 | -20,000 |
| Total Cash Flows From Financing Activities | -5,235,000 | -310,000 | -139,000 |
| Effect Of Exchange Rate Changes | 233,000 | -63,000 | -155,000 |
| Change In Cash and Cash Equivalents | -824,000 | 3,996,000 | 592,000 |

|  |  |  |  |
| --- | --- | --- | --- |
| **Income Statement** |  |  |  |
| All numbers in thousands |  |  |  |
| Revenue | ‎12‎/‎31‎/‎2017 | ‎12‎/‎31‎/‎2016 | ‎12‎/‎31‎/‎2015 |
| Total Revenue | 40,653,000 | 27,638,000 | 17,928,000 |
| Cost of Revenue | 5,454,000 | 3,789,000 | 2,867,000 |
| Gross Profit | 35,199,000 | 23,849,000 | 15,061,000 |
| Operating Expenses |
| Research Development | 7,754,000 | 5,919,000 | 4,816,000 |
| Selling General and Administrative | 7,242,000 | 5,503,000 | 4,020,000 |
| Non Recurring | - | - | - |
| Others | - | - | - |
| Total Operating Expenses | - | - | - |
| Operating Income or Loss | 20,203,000 | 12,427,000 | 6,225,000 |
| Income from Continuing Operations |
| Total Other Income/Expenses Net | - | - | - |
| Earnings Before Interest and Taxes | 20,594,000 | 12,518,000 | 6,194,000 |
| Interest Expense | - | - | - |
| Income Before Tax | 20,594,000 | 12,518,000 | 6,194,000 |
| Income Tax Expense | 4,660,000 | 2,301,000 | 2,506,000 |
| Minority Interest | - | - | - |
| Net Income From Continuing Ops | 15,920,000 | 10,188,000 | 3,669,000 |
| Non-recurring Events |
| Discontinued Operations | - | - | - |
| Extraordinary Items | - | - | - |
| Effect Of Accounting Changes | - | - | - |
| Other Items | - | - | - |
| Net Income |
| Net Income | 15,920,000 | 10,188,000 | 3,669,000 |