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| **Question 1** |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | The comparative condensed income statements of Hendi Corporation are shown below.   |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | |  | **HENDI CORPORATION** | | | | | | |  | **Comparative Condensed Income Statements** | | | | | | |  | **For the Years Ended December 31** | | | | | | |  |  | **2009** | |  | **2008** | | |  | Net sales | $604,400 |  |  | $506,400 |  | |  | Cost of goods sold | 487,800 |  |  | 426,400 |  | |  | Gross profit | 116,600 |  |  | 80,000 |  | |  | Operating expenses | 58,100 |  |  | 45,300 |  | |  | Net income | $ 58,500 |  |  | $ 34,700 |  |  |  | | --- | |  | | | | http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | Prepare a horizontal analysis of the income statement data for Hendi Corporation using 2008 as a base. (Show the amounts of increase or decrease.) ***(Round percentages to 1 decimal place, e.g. 10.5.)***   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **HENDI CORPORATION** | | | | | | **Condensed Income Statements** | | | | | | **For the Years Ended December 31** | | | | | |  |  |  | **Increase or (Decrease)** | | |  | **2009** | **2008** | **Amount** | **Percentage** | | Net sales | $ | $ | $ | % | | Cost of goods sold |  |  |  | % | | Gross profit |  |  |  | % | | Operating expenses |  |  |  | % | | Net income | $ | $ | $ | % |  |  | | --- | |  | | | | http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | Prepare a vertical analysis of the income statement data for Hendi Corporation in columnar form for both years. ***(Round percentages to 1 decimal place, e.g. 10.5.)***   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **HENDI CORPORATION** | | | | | | **Condensed Income Statements** | | | | | | **For the Years Ended December 31** | | | | | |  | **2009** | | **2008** | | |  | **Amount** | **Percentage** | **Amount** | **Percentage** | | Net sales | $ | % | $ | % | | Cost of goods sold |  | % |  | % | | Gross profit |  | % |  | % | | Operating expenses |  | % |  | % | | Net income | $ | % | $ | % |  |  | | --- | |  | | | | http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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