

Analytical Procedure Annualization Formulas (Easy Calculation)

Sales (Income)	<p>Partial period figure x (12/number of months)</p> <p><i>Ex. 4 month period with partial period sales of \$150,000</i> <i>Annualized Sales = \$150,000 x (12/4) = \$450,000</i></p>
Cost of Sales	<p>Partial period figure x (12/number of months)</p> <p><i>Ex. 4 month period with partial period COGS of \$75,000</i> <i>Annualized Sales = \$75,000 x (12/4) = \$225,000</i></p>
Depreciation	Partial period figure x (12/number of months)
Amortization	Partial period figure x (12/number of months)
Overhead or S,G,&A Expense	Partial period figure x (12/number of months)
Other Operating Income	Partial period figure x (12/number of months)
Other Operating Expenses	Partial period figure x (12/number of months)
Interest Expense	Partial period figure x (12/number of months)
Other Income	Partial period figure x (12/number of months)
Other Expenses	Partial period figure x (12/number of months)
Adjusted Owner's Compensation	Partial period figure x (12/number of months)
Taxes Paid	Partial period figure x (12/number of months)
Extraordinary Gain	Partial period figure x (12/number of months)
Extraordinary Loss	Partial period figure x (12/number of months)
Cash	<p>Annualized Cash =</p> <ul style="list-style-type: none"> Beginning Cash (prior period ending balance) + Annualized Net Income - [annualized Accounts Receivable – prior period Accounts Receivable] - [annualized Inventory – prior period Inventory] - [annualized Other Current Assets – prior period Other Current Assets] - [annualized Other Assets – prior Other Assets] - [annualized Net Fixed Assets – prior Net Fixed Assets] - [annualized Net Intangible Assets – prior period Net Intangible Assets] + [annualized Accounts Payable – prior period Accounts Payable] + [annualized Current Portion LTD – prior period Current Portion LTD] + [annualized Short Term Debt – prior period Short Term Debt] + [annualized Other Current Liabilities – prior period Other Current Liabilities] + [annualized long term liabilities – prior period Long Term Liabilities] + [annualized Preferred Stock – prior period Preferred Stock] + [annualized Common Stock – prior period Common Stock] + [annualized Additional Paid In Capital – prior period Additional Paid In Capital] + [annualized Other Stock – prior period Other Stock]
Accounts Receivable	<p>Partial Period figure</p> <p><i>Ex. 4 month period with Accounts Receivable of \$120,000</i> <i>Annualized value = \$120,000</i></p>

Inventory	Partial Period figure
Other Current Assets	Partial Period figure
Gross Fixed Assets	Partial Period figure
Accumulated Depreciation	<ol style="list-style-type: none"> 1. Prior Period Accumulated Depreciation + Annualized Depreciation Expense 2. If Gross Fixed Assets decreases, then take the historical percentage of Gross Fixed Assets and apply it to the annualized Gross Fixed Assets <p><i>Ex. If Prior Period Gross Fixed Assets is \$500,000 and Annualized Gross Fixed Assets is \$400,000 (20% decrease), and prior period accumulated Depreciation is \$125,000, then take out 20% of the \$125,000 (\$25,000) and add Annualized Depreciation Expense. In this example the Annualized Depreciation Expense is \$50,000.</i></p> <p><i>Annualized Accumulated Depreciation = \$100,000 + \$50,000 = \$150,000</i></p>
Gross Intangible Assets	Partial Period figure
Accumulated Amortization	<ol style="list-style-type: none"> 1. Prior Period Accumulated Amortization + Annualized Amortization Expense 2. If Gross Intangible Assets decreases, then take the percentage decrease in Gross Intangible Assets and subtract that out of prior period accumulated Amortization, then repeat use the method from step 1 <p><i>Ex. If Prior Period Gross Intangible Assets is \$500,000 and Annualized Gross Intangible Assets is \$400,000 (20% decrease), and prior period accumulated Amortization is \$125,000, then take out 20% of the \$125,000 (\$25,000) and add Annualized Amortization Expense. In this example the Annualized Amortization Expense is \$50,000.</i></p> <p><i>Annualized Accumulated Amortization = \$100,000 + \$50,000 = \$150,000</i></p>
Other Assets	Partial Period figure
Accounts Payable	Partial Period figure
Short Term Debt	Partial Period figure
Current Portion Long-Term Debt	Partial Period figure
Other Current Liabilities	Partial Period figure
Senior Debt	Partial Period figure
Subordinated Debt	Partial Period figure
Other Long Term Liabilities	Partial Period figure
Preferred Stock	Partial Period figure
Common Stock	Partial Period figure
Additional Paid In Capital	Partial Period figure
Other Stock/Equity	Partial Period figure
Ending Retained Earnings	Prior Period Ending Retained Earnings + Annualized Net Income