Please give a detailed analysis of the financial statements given below for Joshua & White Technologies. Your analysis should include answers to the questions as follows (not limited to these questions):

* Has the company’s liquidity position improved or worsened? How’s it compared with the industry average?
* Has the company’s ability to manage its assets improved or worsened? How’s it compared with the industry average?
* How has the company’s profitability changed during the last year? How’s it compared with the industry average?

*Note: you may need to research on the industry average on financial ratios for Information Technology companies.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Joshua & White Technologies: December 31 Balance Sheets** | | | | |
| (Thousands of Dollars) | |  |  |  |
|  |  |  |  |  |
| ***Assets*** |  |  | **2019** | **2018** |
| Cash and cash equivalents | | | $21,000 | $20,000 |
| Short-term investments | |  | 3,759 | 3,240 |
| Accounts Receivable | |  | 52,500 | 48,000 |
| Inventories |  |  | 84,000 | 56,000 |
| Total current assets | |  | $161,259 | $127,240 |
| Net fixed assets | |  | 223,097 | 200,000 |
| Total assets |  |  | $384,356 | $327,240 |
|  |  |  |  |  |
| ***Liabilities and equity*** | |  |  |  |
| Accounts payable | |  | $33,600 | $32,000 |
| Accruals |  |  | 12,600 | 12,000 |
| Notes payable | |  | 19,929 | 6,480 |
| Total current liabilities | |  | $66,129 | $50,480 |
| Long-term debt | |  | 67,662 | 58,320 |
| Total liabilities | |  | $133,791 | $108,800 |
| Common stock | |  | 178,440 | 178,440 |
| Retained Earnings | |  | 72,125 | 40,000 |
| Total common equity | |  | $250,565 | $218,440 |
| Total liabilities and equity | |  | $384,356 | $327,240 |
|  |  |  |  |  |
| **Joshua & White Technologies December 31 Income Statements** | | | | |
| (Thousands of Dollars) | |  |  |  |
|  |  |  | **2019** | **2018** |
| Sales |  |  | $420,000 | $400,000 |
| COGS except excluding depr. and amort. | | | 300,000 | 298,000 |
| Depreciation and Amortization | | | 19,660 | 18,000 |
| Other operating expenses | | | 27,600 | 22,000 |
| EBIT |  |  | $72,740 | $62,000 |
| Interest Expense | |  | 5,740 | 4,460 |
| EBT |  |  | $67,000 | $57,540 |
| Taxes (25%) | |  | 16,750 | 14,385 |
| Net Income | |  | $50,250 | $43,155 |
|  |  |  |  |  |
| Common dividends | |  | $18,125 | $17,262 |
| Addition to retained earnings | | | $32,125 | $25,893 |
|  |  |  |  |  |
| **Other Data** |  |  | **2019** | **2018** |
| Year-end Stock Price | |  | $90.00 | $96.00 |
| # of shares (Thousands) | |  | 4,052 | 4,000 |
| Lease payment (Thousands of Dollars) | | | $20,000 | $20,000 |
| Sinking fund payment (Thousands of Dollars) | | | $5,000 | $5,000 |