 Name _____

Walmart: Reading the Real Financial Statements

Source: Walmart Inc. Form 10-K, fiscal year ended January 31, 2025 (some lines combined; amounts in millions) · sec.gov/Archives/edgar/data/104169/000010416925000021/wmt-20250131.htm

Walmart Inc.
Consolidated Statement of Income

	Fiscal 2025
Net sales	$ 674,538
Membership and other income	6,447
Total revenues	680,985
Cost of sales	511,753
Operating, selling, general & admin. expenses	139,884
Operating income	29,348
Interest, net	2,245
Other (gains) and losses	794
Income before income taxes	26,309
Provision for income taxes	6,152
Net income	$ 20,157

Walmart Inc.
Statement of Retained Earnings

	Fiscal 2025
Retained earnings, Jan 31, 2024	$ 89,814
Add: Net income	20,157
Less: Dividends	(6,688)
Less: Others (incl. share repurchases, Ch11)	(4,970)
Retained earnings, Jan 31, 2025	$ 98,313

Walmart Inc.
Consolidated Balance Sheet

	Jan 31, 2025
Cash and cash equivalents	$ 9,037
Receivables, net	9,975
Inventories	56,435
Prepaid expenses and other	4,011
Total current assets	79,458
Property and equipment, at cost	231,617
Less: Accumulated depreciation	(111,624)
Property and equipment, net	119,993
Leases, goodwill and other assets	61,372
Total assets	$ 260,823
Accounts payable	$ 58,666
Accrued and other current liabilities	37,918
Total current liabilities	96,584
Long-term debt	33,401
Lease obligations and other long-term liabilities	33,417
Total liabilities	163,402
Common stock and paid-in capital	6,305
Retained earnings	98,313
Others (AOCI)	(7,197)
Total equity	97,421
Total liabilities and equity	$ 260,823

FIND IT IN THE STATEMENTS

Write the amount ($ millions). Definitions are on the back.

1. How much does Walmart expect to collect from its customers? _____
2. What did the merchandise Walmart sold this year cost it? _____
3. What expense did it record for wages, rent, utilities and advertising? _____
4. What is the cost of the goods still on its shelves and in warehouses? _____
5. How much does it owe suppliers for goods bought on credit? _____
6. What is the government's share of this year's profit? _____
7. What was left of revenue after all expenses this year? _____
8. How much of its buildings' and equipment's cost has been used up so far? _____
9. What did its buildings and equipment originally cost? _____
10. How much does it owe lenders on long-term loans? _____
11. How much did it pay its shareholders as dividends? _____
12. How much profit has it earned over the years and kept in the business? _____

KEY CONCEPTS (HINTS)

INCOME STATEMENT · A WHOLE YEAR

Revenue (net sales)
What the company earns from selling goods and services, recorded when *earned*.

Cost of sales (cost of goods sold, merchandise costs)
The cost of the inventory that was *sold*. It leaves the balance sheet and becomes an expense.

Operating expenses (SG&A)
Costs of running the business other than the goods: wages, rent, utilities, advertising.

Depreciation
The part of a building's or equipment's cost recorded as an expense each year as it is used up. No cash is paid when it is recorded.

Income tax expense (provision)
The government's share of the profit.

Net income
Revenue minus *all* expenses, including interest and taxes.

STATEMENT OF RETAINED EARNINGS

Retained earnings
Profit earned since the start and kept in the business. Beginning + Net income − Dividends = Ending.

Dividends
Profit paid out to shareholders. Not an expense.

BALANCE SHEET · ONE DATE

Assets = Liabilities + Equity
Everything the company owns is financed by creditors or by owners.

Current assets / current liabilities
Expected to be used up or paid within one year.

Accounts receivable
Amounts customers owe the company, expected to be collected in cash.

Inventory
Goods held for sale, recorded at cost until sold.

Accumulated depreciation
All depreciation recorded so far on buildings and equipment. Cost − accumulated depreciation = net (book value).

Accounts payable
Amounts owed to suppliers for goods or services bought on credit.

Long-term debt
Money borrowed (loans, bonds) that is due after more than one year.

FINALLY, CALCULATE (USE THE NUMBERS ON THE FRONT)

Gross profit margin
13 = (Net sales − Cost of sales) ÷ Net sales _____

Net profit margin
14 = Net income ÷ Total revenue _____

Current ratio
15 = Total current assets ÷ Total current liabilities _____

Some lines are combined. Receivables are reported net of an allowance for credit losses; Walmart does not disclose the allowance amount separately. In retained earnings, "Others" also includes the share of net income that belongs to minority owners of subsidiaries.