**Results and Correlations**

* Apple shows a sharp rise in total current assets which reflects a strong liquidity position of the company.
* Total Liabilities for apple are increasing with time, which as a matter of fact is not a good thing.
* Liquidity Ratio is obtained by taking stock of Apple’s current assets versus its current liabilities. In Apple’s case, this is always greater than 1.08, indicating the company has enough current assets on hand to cover its current liabilities.
* Debt to Equity ratio for Apple has increased drastically. Companies with a higher debt to equity ratio are considered riskier to creditors and investors than companies with a lower ratio.
* Tangible Common Equity Ratio is essentially a measure of leverage. A low ratio indicates possible overleveraging. Overleveraged is when a business is carrying too much debt, and is unable to pay interest payments from loans.
* Apple’s Goodwill to Assets ratio increased dramatically for the year 2014. After that it achieved almost a constant rate. The value of a company's brand name, solid customer base, good customer relations, good employee relations and any patents or proprietary technology represent goodwill.
* Apple’s retained Earnings have stayed in place. The retained earnings of a [corporation](https://en.wikipedia.org/wiki/Corporation) is the accumulated [net income](https://en.wikipedia.org/wiki/Net_income) of the corporation. When reinvested, those retained earnings are reflected as increases to assets or reductions to liabilities.
* Surprisingly, Apple’s Long-term debts are increasing with each passing year. Long-term debt consists of loans and financial obligations lasting over one year. Long-term debt for a company would include any financing or leasing obligations that are to come due in a greater than 12-month period.

**Interpretation and Possible Value Addition**

* Apple has short-term creditors and long-term liabilities that need to be offset against assets. Investors in Apple stock have no reason to worry about the company's financial strength.
* Notably, Apple made two big bond issues, for $17 billion in 2013 and $12 billion in 2014. By issuing debt to distribute dividends and repurchase stock, the company is smartly saving a lot of money on taxes.
* Apple could easily cover dividends and buybacks with the cash it generates from the business, so the only reason to issue debt is to save money on taxes. The business is generating huge amounts of cash on a recurrent basis, and Apple is distributing a considerable part of that money to shareholders via dividends and buybacks.