

## **ACCOUNTANCY 422**

### **WEIGHTED AVERAGE SHARES EXERCISE**

Data Controls Inc. had 250,000 shares of common stock outstanding at the end of 2002. During 2003 and 2004, the following transactions took place.

2003	March 1	Sold 24,000 shares
	July 24	Issued a 20 percent stock dividend
	October 1	Sold 16,000 shares
	December 1	Purchased 15,000 shares to be held in the treasury.
2004	June 1	3-for-1 stock split
	September 1	Sold 60,000 shares

Data Controls Inc. has a simple capital structure.

**Required:** Compute the weighted average number of shares for 2003 and 2004 to be used in the earnings per share computation for comparative financial statements at the end of 2004.