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Office Memorandum • UNITED STATES GOVERNMENT

TO : Lyall E. Johnson, Chief, Licensing Branch  
Division of Civilian Application

DATE: JUN 14 1957

FROM : Walker E. Campbell  
Assistant Controller for Accounting

SUBJECT: FINANCIAL RESPONSIBILITY - MALLINCKRODT CHEMICAL WORKS

SYMBOL: FAc:RGS

The Division of Finance has reviewed the financial data obtained from the applicant and other sources. It is our opinion that Mallinckrodt Chemical Works is financially qualified to pay Commission charges for the use and consumption or loss of the material mentioned in their application. We also believe that the applicant is financially qualified to carry out the proposed use of the material for a reasonable period of time.

Following are some of the more important considerations on which our conclusions are based:

The maximum amount of AEC material the licensee will have in its possession at any one time is \$320,000. At the end of 1956, current assets totaled \$18.4 million compared with \$2.6 million of current liabilities - a current ratio of 7:1. The long-term debt of \$4.1 million does not mature until 1971. Of the company's total assets of \$31.2, \$24.5 million or approximately 78% is represented by stockholders' equity.

We are returning the copy of the licensee's Annual Report for 1956 as you requested.

Attachment.

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