a. Compute the following:
1. Accounts receivable turnover
2. Inventory turnover
3. Fixed asset turnover
4. Total asset turnover

b. In 2011, sales increased to $5,000,000 and the assets for that year were as follows:

Cash	$ 100,000
Accounts receivable	900,000
Inventory	975,000
Net plant and equipment	500,000
Total assets	$2,475,000

Once again, compute the four ratios.

c. Indicate if there is an improvement or decline in total asset turnover, and based on the other ratios, indicate why this development has taken place.

Overall ratio analysis *(LO2)*

22. The balance sheet for the Bryan Corporation is shown below. Sales for the year were $3,040,000, with 75 percent of sales sold on credit.

BRYAN CORPORATION
Balance Sheet 201X

Assets		**Liabilities and Stockholders' Equity**	
Cash	$ 50,000	Accounts payable	$220,000
Accounts receivable	280,000	Accrued taxes	80,000
Inventory	240,000	Bonds payable (long-term)	118,000
Plant and equipment	380,000	Common stock	100,000
		Paid-in capital	150,000
		Retained earnings	282,000
Total assets	$950,000	Total liabilities and stockholders' equity	$950,000

Compute the following ratios:

a. Current ratio.
b. Quick ratio.
c. Debt-to-total-assets ratio.
d. Asset turnover.
e. Average collection period.

Debt utilization ratios *(LO2)*

23. The Lancaster Corporation's income statement is given on page 109.

a. What is the times-interest-earned ratio?
b. What would be the fixed-charge-coverage ratio?