35. The 2009 financial statements for the Griffin Company are as follows:

|  |  |  |
| --- | --- | --- |
| GRIFFIN COMPANY STATEMENT OF FINANCIAL POSITION | | |
|  | 12/31/09 | 12/31/08 |
| **Assets** |  |  |
| Cash | $40,000 | $10,00 |
| Accounts receivable | 30,000 | 55,000 |
| Inventory | 110,000 | 70,000 |
| Property, plant, and equipment | 250,000 | 257,000 |
| Total assets | $430,000 | $392,000 |
| **Liabilities and stockholders’ equity** |  |  |
| Current liabilities | $60,000 | $50,000 |
| 5% mortgage payable | 120,000 | 162,000 |
| Common stock (30,000 shares) | 150,000 | 150,000 |
| Retained earnings | 100,000 | 30,000 |
| Total liabilities and stockholders’ equity | $430,000 | $392,000 |

|  |  |  |
| --- | --- | --- |
| GRIFFIN COMPANY INCOME STATEMENT FOR THE YEAR ENDED December 31,2009 | | |
| Sales on Account | | $420,000 |
| **Less Expenses** | |  |
| Cost of goods sold | | $214,00 |
| Salary expense | | 50,000 |
| Depreciation expense | 7,0000 | |
| Interest expense | 9,000 | |
| Total expense | $280,000 | |
| Income before taxes | 140,000 | |
| Income tax expenses (50%) | 70,000 | |
| Net income | $70,000 | |

Required

Compute the following ratios for the Griffin Company for the year ending December 31, 2009.

1. Profit margin ratio (before interest and taxes)
2. Total asset turnover
3. Rate of return on total assets
4. Rate of return on common stockholders’ equity
5. Earnings per share of stock
6. Inventory turnover
7. Current ratio
8. Quick ratio
9. Accounts receivable turnover
10. Debt-to-equity ratio
11. Times interest earned