1. General Farms, Inc. had sales of $750,000, cost of goods sold of $200,000, selling and administrative expense of $70,000, and operating profit of $150,000. What was the value of depreciation expense?
2. Cassy Beauty Company had sales of $320,000 and cost of goods sold of $112,000. What is the gross profit margin (ratio of gross profit to sales)?
3. A company has operating profit of $210,000 after deducting lease payments of $30,000. Interest expense is $50,000. What is the firm's fixed charge coverage?
4. If a company has a 10% profit margin and sales and accounts payable both increase by $10,000, then the amount of new funds required will decline, True or False?