

Corporate owners earn a return _____.

Select one:

- a. through interest earnings and earnings per share
- b. through capital appreciation and retained earnings
- c. by realizing capital gains and cash dividends
- d. through capital appreciation

[Clear my choice](#)

Which of the following is true of cash flows and risk?

Select one:

- a. Higher cash flow and lower risk result in an increase in share price
- b. Higher cash flow and higher risk result in an increase in share price.
- c. Lower cash flow and higher risk result in an increase in share price
- d. Lower cash flow and lower risk result in an increase in share price.

[Clear my choice](#)

Zara Inc., had sales totaling \$10000000 in fiscal year 2020. Some ratios for the company are listed below. Use this information to calculate the dollar values of different income statement and balance sheet accounts.

Zara Inc.	
Year ended December 31, 2020	
Gross profit margin	0.8
Operating Profit margin	0.4
Net profit margin	0.09
Debt ratio	0.35
Current ratio	1
Total asset turnover	1
Average collection period	60

What is the company's gross profit?

What is the company's cost of goods sold?

What is the company's operating profit?

What is the company's operating expenses?

What is the company's earnings available for common stockholders?

What is the company's total assets?

A firm has the following accounts and financial data for 2020:

Note: the company does not have preferred stocks.

Current Assets	97000
Quick ratio	1.4
Current liabilities	34000
Sales	1000000
Gross profit	900000
Long term debt	25000
Retained earnings 2019	200000
Retained earnings 2020	270000
Common stock equity	100000
Net profit margin	13%

Find the following:

Inventory

Cost of goods sold

Find the following:

Inventory

Cost of goods sold

Inventory turnover

Total assets

Debt to equity ratio

Earnings available for common
stockholders

Debt to equity ratio

Earnings available for common stockholders

Dividend paid in 2020

ROA

Zara Inc.

Year ended December 31, 2020

Gross profit margin	0.6
Operating Profit margin	0.45
Net profit margin	0.07
Debt ratio	0.25
Current ratio	2.5
Total asset turnover	1
Average collection period	30

What is the company's gross profit?

What is the company's cost of goods sold?

What is the company's operating profit?

What is the company's operating expenses?

What is the company's earnings available for common

The stockholders' annual report must include _____.

Select one:

- a. common-size financial statements
- b. advance tax statement
- c. Competitor financial statements
- d. balance sheet

[Clear my choice](#)

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Net fixed assets equal:

- a. Net fixed assets plus accumulated depreciation
- b. Gross fixed assets minus operating expenses
- c. Gross fixed assets minus depreciation expense
- d. Gross fixed assets minus accumulated depreciation

[Clear my choice](#)

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