CS #13.

Find the annual depreciation expenses for the following items:

a. Original cost is $35,000 for an asset in the three-year class.

b. Original cost is $70,000 for an asset in the five-year class.

CS #14.

Following is information from Harris Enterprises. Compute:

a. Current ratio

b. Debt-to-assets ratio

c. Inventory turnover ratio

d. Return on equity, using the Du Pont relationship

**Harris Enterprises**

**Balance Sheet, 2015**

**(millions of dollars)**

Cash $ 2 Accounts payable $ 5

Receivables 6 Notes payable 4

Inventory 3 Long-term bonds 8

Fixed assets 10 Stockholders’ equity 4

Total assets $21 Total liabilities and equity $21

**Harris Enterprises**

**Income Statement, 2015**

**(millions of dollars)**

Sales $50

Cost of goods sold 25

Depreciation 10

Earnings before interest and taxes $15

Taxes 5

Net income $10