

For this assignment, you will need to do a little bit of research if you don't know the financial ratios. Research the 4 financial ratios below and use them to answer the questions in this assignment.

For this question, use the 2015 financial statements of Queensway Carleton Hospital found at <http://www.qch.on.ca/NewsroomFiles/Audited%20Satements%203-31-15.pdf>

a) Calculate the following ratios for 2015 and 2014 for Queensway:

Current ratio  
Quick ratio  
Debt-to-total assets  
Total assets turnover

Be sure to show all your work. **(8 marks)**

b) Based on these ratios, has Queensway's performance improved? Fully explain your answer. **(4 marks)**

c) Assume that the average ratios for hospitals are as follows:

	2015	2014
Current ratio	1.45	1.25
Quick ratio	1.39	1.15
Debt-to-total asset	.68	.73
Total assets turnover	.50	.55

How has Queensway performed compared to the industry? Fully explain your answer. **(4 marks)**

d) Why does Queensway's current ratio only differ slightly from its quick ratio? **(1 mark)**

e) Overall, did Queensway increase or decrease its cash flow for 2015? How do you know? **(1 mark)**

f) For 2015, what was Queensway's largest source of cash inflow? **(1 mark)**

g) For 2015, on what did Queensway spend the largest amount of cash? **(1 mark)**