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1/1  p	ooint	(pas	noté)
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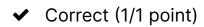
How is the current ratio calculated?

Net income ÷ Equity
Net income ÷ Total revenue
Ourrent liabilities ÷ Current assets
O Current assets ÷ Current liabilities



#### Réponse

Correct: Correct! Current assets ÷ Current liabilities = Current ratio



# Question 2

1/1 point (pas noté)

If a company has an asset turnover ratio of 1.7 and \$100,000 in total assets, how much has it generated in sales?

\$70,000		
\$170,000		
\$270,000		
\$107,000		

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### Réponse

Correct:

To estimate sales, multiply the asset turnover ratio by the total assets.

✓	Correct (1/1 point)		

# Question 3

1/1 point (pas noté)

A company with a debt ratio of less than 0.3...

Relies heavily on loans to finance operations.
May be considered too risky for some investors.
O Is always preferred.





# Réponse

Correct: None of these answers are correct.

✓ Correct (1/1 point)

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