

Question 1

1/1 point (pas noté)

How is the current ratio calculated?

- ☐ Net income ÷ Equity
- ☐ Net income ÷ Total revenue
- ☐ Current liabilities ÷ Current assets
- ☒ Current assets ÷ Current liabilities



Réponse

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

✓ Correct (1/1 point)

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

**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.

☐ Is always preferred.

☒ None of the above.

**Réponse**

Correct: None of these answers are correct.

✓ Correct (1/1 point)