

# How To Calculate Current Ratio, Return On Sales Ratio and Debt To Equity Ratio

Watch the video: <https://youtu.be/KbylzvrS7Us> and answer the following questions:

1. What is the formula for the debt-to-equity ratio?
2. How do you find liabilities if you only have total assets and owner's equity?
3. What does the 2.5 debt-to-equity ratio mean?
4. What is an ideal debt-to-equity ratio?
  - a. Why?
5. What is the formula for the current ratio?
6. What is a current assets?
7. What is a current liability?
8. What does the 2.48 current ratio mean?
9. What is an ideal current ratio?
  - a. Why?
10. What is the formula for the return on sales ratio?
11. What is the formula?
12. How do you figure net income?
13. What does the 31.6 ratio mean?
14. What is an ideal return on sales ratio?
  - a. Why?