

Current ratio practice worksheet

Name _____ Date _____

1. Current ratio (problem 2101)

From the balances below, work out the current ratio.

SELECTED BALANCES AT 31 DECEMBER (\$)

Share capital	160,000
Inventory	49,000
Cash and cash equivalents	26,000
Accrued expenses	12,000
Long-term loan, due after one year	90,000
Prepaid expenses	4,000
Equipment, net	115,000
Accounts receivable	98,000
Accounts payable	40,000
Current portion of long-term loan	30,000
Short-term bank loan	45,000

- Total current assets: _____
- Total current liabilities: _____
- Current ratio: _____

2. Current ratio (problem 2102)

From the balances below, work out the current ratio.

SELECTED BALANCES AT 31 DECEMBER (\$)

Share capital	190,000
Accrued expenses	21,000
Long-term loan, due after one year	120,000
Accounts payable	33,000
Short-term bank loan	55,000
Accounts receivable	76,000
Equipment, net	105,000
Cash and cash equivalents	32,000
Prepaid expenses	9,000
Inventory	44,000
Current portion of long-term loan	25,000

- Total current assets: _____
- Total current liabilities: _____
- Current ratio: _____

3. Current ratio (problem 2103)

From the balances below, work out the current ratio.

SELECTED BALANCES AT 31 DECEMBER (\$)

Accounts receivable	107,000
Prepaid expenses	6,000
Long-term loan, due after one year	140,000
Current portion of long-term loan	25,000
Equipment, net	290,000
Share capital	200,000
Cash and cash equivalents	27,000
Accrued expenses	24,000
Short-term bank loan	30,000
Inventory	57,000
Accounts payable	50,000

1. Total current assets: _____
2. Total current liabilities: _____
3. Current ratio: _____

4. Current ratio (problem 2104)

From the balances below, work out the current ratio.

SELECTED BALANCES AT 31 DECEMBER (\$)

Short-term bank loan	60,000
Equipment, net	395,000
Accounts receivable	21,000
Long-term loan, due after one year	80,000
Accrued expenses	7,000
Prepaid expenses	5,000
Share capital	110,000
Inventory	119,000
Current portion of long-term loan	20,000
Accounts payable	55,000
Cash and cash equivalents	17,000

1. Total current assets: _____
2. Total current liabilities: _____
3. Current ratio: _____

5. Current ratio (problem 2105)

From the balances below, work out the current ratio.

SELECTED BALANCES AT 31 DECEMBER (\$)

Accrued expenses	6,000
Share capital	170,000
Current portion of long-term loan	5,000
Prepaid expenses	12,000
Cash and cash equivalents	59,000
Accounts payable	27,000
Short-term bank loan	35,000
Equipment, net	250,000
Long-term loan, due after one year	220,000
Inventory	34,000
Accounts receivable	74,000

1. Total current assets: _____
2. Total current liabilities: _____
3. Current ratio: _____

6. Current ratio (problem 2106)

From the balances below, work out the current ratio.

SELECTED BALANCES AT 31 DECEMBER (\$)

Accounts receivable	74,000
Equipment, net	400,000
Prepaid expenses	7,000
Long-term loan, due after one year	200,000
Accrued expenses	23,000
Accounts payable	50,000
Current portion of long-term loan	30,000
Inventory	31,000
Cash and cash equivalents	15,000
Short-term bank loan	40,000
Share capital	100,000

1. Total current assets: _____
2. Total current liabilities: _____
3. Current ratio: _____

Answer key

1. Current ratio (problem 2101)

1. **Total current assets: 177,000.** Cash 26,000 + Accounts receivable 98,000 + Inventory 49,000 + Prepaid expenses 4,000 = 177,000
2. **Total current liabilities: 127,000.** Accounts payable 40,000 + Accrued expenses 12,000 + Short-term bank loan 45,000 + Current portion of long-term loan 30,000 = 127,000
3. **Current ratio: 1.39.** $177,000 \div 127,000 = 1.39$

2. Current ratio (problem 2102)

1. **Total current assets: 161,000.** Cash 32,000 + Accounts receivable 76,000 + Inventory 44,000 + Prepaid expenses 9,000 = 161,000
2. **Total current liabilities: 134,000.** Accounts payable 33,000 + Accrued expenses 21,000 + Short-term bank loan 55,000 + Current portion of long-term loan 25,000 = 134,000
3. **Current ratio: 1.20.** $161,000 \div 134,000 = 1.20$

3. Current ratio (problem 2103)

1. **Total current assets: 197,000.** Cash 27,000 + Accounts receivable 107,000 + Inventory 57,000 + Prepaid expenses 6,000 = 197,000
2. **Total current liabilities: 129,000.** Accounts payable 50,000 + Accrued expenses 24,000 + Short-term bank loan 30,000 + Current portion of long-term loan 25,000 = 129,000
3. **Current ratio: 1.53.** $197,000 \div 129,000 = 1.53$

4. Current ratio (problem 2104)

1. **Total current assets: 162,000.** Cash 17,000 + Accounts receivable 21,000 + Inventory 119,000 + Prepaid expenses 5,000 = 162,000
2. **Total current liabilities: 142,000.** Accounts payable 55,000 + Accrued expenses 7,000 + Short-term bank loan 60,000 + Current portion of long-term loan 20,000 = 142,000
3. **Current ratio: 1.14.** $162,000 \div 142,000 = 1.14$

5. Current ratio (problem 2105)

1. **Total current assets: 179,000.** Cash 59,000 + Accounts receivable 74,000 + Inventory 34,000 + Prepaid expenses 12,000 = 179,000
2. **Total current liabilities: 73,000.** Accounts payable 27,000 + Accrued expenses 6,000 + Short-term bank loan 35,000 + Current portion of long-term loan 5,000 = 73,000
3. **Current ratio: 2.45.** $179,000 \div 73,000 = 2.45$

6. Current ratio (problem 2106)

1. **Total current assets: 127,000.** Cash 15,000 + Accounts receivable 74,000 + Inventory 31,000 + Prepaid expenses 7,000 = 127,000
2. **Total current liabilities: 143,000.** Accounts payable 50,000 + Accrued expenses 23,000 + Short-term bank loan 40,000 + Current portion of long-term loan 30,000 = 143,000
3. **Current ratio: 0.89.** $127,000 \div 143,000 = 0.89$