

Answer on Question #39814, Economics, Finance

Current Ratio	current assets/current liabilities	2,5	Here we can see the table with some formulas, using which we can calculate the main positions of the balance sheet.
Liquidity Ratio	(current assets - inventory)/current liabilities	1,3	
Net Working Capital	current assets - current liabilities	120000	
Stock Turnover Ratio	net sales/inventory	6	
Ratio of Gross Profit to Sales	(revenue - cost of goods)/net sales	0,2	
Debt collection period	(Average Debtors / Credit Sales) x 365	40	
Fixed Assets to Net Worth	fixed assets/(total assets - total liabilit.)	0,8	
Reserve and Surplus to Capital	Reserve and Surplus to Capital	0,5	
B/S	Balance	1100000	

Using these formulas we can calculate:

current assets	500000
inventory	200000
current liabilities	200000
net sales	1200000
gross profit	240000
fixed assets	600000

So, we can build the balance sheet.

**Balance**

Fixed assets	600000
Current assets and inventory	500000
<b>Total Assets:</b>	<b>1100000</b>
Current liabilities	200000
Capital	480000
Long-term liabilities and other	420000

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