

Worksheet X

Calculation of The Current Ratio

$$\text{CR} = \text{CA} \div \text{CL}$$

Where: CR = Current Ratio

CA = Current Assets (the sum of inventories, prepaid expenses, and accounts receivable)

CL = Current Liabilities (the sum of accounts payable, accrued expenses, taxes, and the current portion of long-term debt)

CA \$ _____ (1)

CL \$ _____ (2)

CR [Calculate: (1)/(2)] (3)